

June 24, 2005

Fluid Minerals Group
Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, Utah 84078

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc.
LCU 3-3H, 600' FNL & 2000' FWL, NE/4 NW/4,
Section 3, T11S, R20E, SLB&M, Uintah County, Utah

Dear Fluid Minerals Group:

On behalf of Dominion Exploration & Production, Inc. (Dominion), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan;

Exhibit "F" - Typical BOP and Choke Manifold diagram.

Please accept this letter as Dominion's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Carla Christian of Dominion at 405-749-5263 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Agent for Dominion

cc: Diana Whitney, Division of Oil, Gas and Mining
Carla Christian, Dominion
Marty Buys, Buys & Associates, Inc.

RECEIVED

JUN 29 2005

DIV. OF OIL, GAS & MINING

FILE COPY

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-44090-A
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Dominion Exploration & Production, Inc.		7. UNIT AGREEMENT NAME Little Canyon Unit
3. ADDRESS AND TELEPHONE NO. 14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134, 405-749-5263		8. FARM OR LEASE NAME, WELL NO. LCU 3-3H
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 600' FNL & 2,000' FWL, NE/4 NW/4, 4416711 - 109, 600' FNL At proposed prod. zone 600' FNL & 2,000' FWL, NE/4 NW/4		9. API WELL NO. 43 047-36804
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 13.36 miles southeast of Ouray, Utah		10. FIELD AND POOL, OR WILDCAT Natural Buttes
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 600'	16. NO. OF ACRES IN LEASE 309.26	11. SEC., T., R., M., OR BLK. Section 3, T11S, R20E, SLB&M
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None	19. PROPOSED DEPTH 8,700'	12. COUNTY OR PARISH Uintah
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4,968' GR		13. STATE Utah
17. NO. OF ACRES ASSIGNED TO THIS WELL 40 acres		20. ROTARY OR CABLE TOOLS Rotary
22. APPROX. DATE WORK WILL START* November 15, 2005		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55 ST&C	32#	2,000'	252 sks Lead, 219 sks, tail, 100 sks top out—see attached Drilling Plan
7-7/8"	5-1/2" Mav 80 LT&C	17#	8,700'	160 sks Lead, 435 sks Tail—see attached Drilling Plan

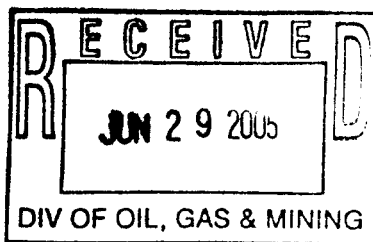
Bond Information:

Bond coverage is provided by Travelers Casualty and Surety Company of America, Bond #76S 63050 0330

Other Information:

Drilling Plan and Surface Use Plan are attached.
Dominion requests that this complete application for permit to drill be held confidential.

Federal Approval of this
Action is Necessary



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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Don Hamilton Don Hamilton TITLE Agent for Dominion DATE June 24, 2005

(This space for Federal or State office use)

PERMIT NO. 43-047-36804 APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY Bradley G. Hill TITLE ENVIRONMENTAL MANAGER DATE 08-24-06

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

T11S, R20E, S.L.B.&M.

DOMINION EXPLR. & PROD., INC.

Well location, LCU #3-3H, located as shown in the NE 1/4 NW 1/4 of Section 3, T11S, R20E, S.L.B.&M. Uintah County Utah.

A.P.
Set Stone,
Pile of Stones

S86°17'49"W
1318.46' (Meas.)

N89°58'51"E
1339.81' (Meas.)

N89°58'51"E
1279.87' (Meas.)

SE Cor. Sec. 33,
1928 Brass Cap,
1.3' High, Pile of
Stones

-N89°57'35"W - 2636.30' (Meas.)-

T10S

N89°57'35"W
1374.11' (Meas.)

N89°57'35"W
1262.19' (Meas.)

S 1/4 Cor. Sec. 34,
1928 Brass Cap, 0.4'
High, Pile of Stones

T11S

C.C.
Set Marked Stone,
Pile of Stones

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. Hays
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED.
(Not Set On Ground)

LINE TABLE

LINE	DIRECTION	LENGTH
L1	S87°47'48"E	2635.87'

Section Corner
Re-Established Using
Double Proportion Method
(Not Set On Ground)

Set Marked Stone,
Pile of Stones

Section Corner
Re-Established Using
Double Proportion Method
(Not Set On Ground)

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)

LATITUDE = 39°53'41.97" (39.894992)

LONGITUDE = 109°40'03.54" (109.667650)

(NAD 27)

LATITUDE = 39°53'42.10" (39.895028)

LONGITUDE = 109°40'01.05" (109.666958)

E 1/4 Cor. Sec. 10,
Set Stone

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 4-5-05	DATE DRAWN: 4-19-05
PARTY B.B. J.M. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC.	

S 1/4 Cor. Sec. 4,
Marked Stone

N00°50'19"E - 2636.19' (Meas.)

N00°06'07"E
2635.92' (Meas.)

W 1/4 Cor. Sec. 10,
Set Marked Stone

N88°00'08"E - 2640.13' (Meas.)

N89°50'06"E - 2655.93' (Meas.)

N01°47'08"W
2650.69' (Meas.)

N01°00'09"E - 5249.93' (Meas. to C.C.)
N01°00'09"E - 5249.98' (Meas. to True)

N00°50'01"E - 2672.22' (Meas.)

Pile of Stones

3

LCU #3-3H

Elev. Ungraded Ground = 4968'

2000'

600'

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 3-3H
600' FNL & 2000' FWL
Section 3-11S-20E
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	3.345'
Green River Tongue	3.665'
Wasatch	3.805'
Chapita Wells	4.660'
Uteland Buttes	5.685'
Mesaverde	6.535'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	3.345'	Oil
Green River Tongue	3.665'	Oil
Wasatch	3.805'	Gas
Chapita Wells	4.660'	Gas
Uteland Buttes	5.685'	Gas
Mesaverde	6.535'	Gas

4. PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Conn.</u>	<u>Top</u>	<u>Bottom</u>	<u>Hole</u>
Surface	8-5/8"	32.0 ppf	J-55	STC	0'	2,000'	12-1/4"
Production	5-1/2"	17.0 ppf	MAV-80	LTC	0'	8,700'	7-7/8"

Note: The drilled depth of the surface hole and the setting depth of the surface casing may vary from 1,700' to 2,000'. Should a lost circulation zone be encountered while drilling, casing will be set approximately 300' below the lost circulation zone. If no lost circulation zone is encountered, casing to be set at 2,000'±.

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DRILLING PLAN

APPROVAL OF OPERATIONS

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Surface hole: No BOPE will be utilized. Air foam mist, rotating head and diverter system will be utilized.

Production hole: Prior to drilling out the surface casing shoe, 3,000 psi or greater BOP equipment will be installed. The pipe rams will be operated at least once per day from intermediate casing to total depth. The blind rams will be tested once per day from intermediate casing to total depth if operations permit.

A diagram of the planned BOP equipment for normal drilling operations in this area is attached. As denoted there will be two valves and one check valve on the kill line, two valves on the choke line, and two adjustable chokes on the manifold system. The BOP "stack" will consist of two BOP rams (1 pipe, 1 blind) and one annular type preventer, all rated to a minimum of 3,000 psi working pressure.

The BOP equipment will be pressure tested prior to drilling below the intermediate casing shoe. All test pressures will be maintained for fifteen (15) minutes without any significant pressure decrease. Clear water will be circulated into the BOP stack and lines prior to pressure testing. The following test pressures will be used as a minimum for various equipment items.

1.	Annular BOP	1,500 psi
2.	Ram type BOP	3,000 psi
3.	Kill line valves	3,000 psi
4.	Choke line valves and choke manifold valves	3,000 psi
5.	Chokes	3,000 psi
6.	Casing, casinghead & weld	1,500 psi
7.	Upper kelly cock and safety valve	3,000 psi
8.	Dart valve	3,000 psi

6. MUD SYSTEMS

- An air or an air/mist system may be used to drill to drill the surface hole until water influx becomes too great.
- KCL mud system will be used to drill well.

<u>Depths</u>	<u>Mud Weight (ppg)</u>	<u>Mud System</u>
0' - 2,000'	8.4	Air foam mist, rotating head and diverter
2,000' - 8,700'	8.6	Fresh water/2% KCL/KCL mud system

7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a constant ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 100' from the wellhead.

8. AUXILIARY EQUIPMENT TO BE USED

- a. Kelly cock.
- b. Full opening valve with drill pipe connection will be kept on floor. Valve will be used when the kelly is not in string.

9. TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

- A drillstem test in the Wasatch Tongue is possible.
- One electric line wire-log will be run from total depth to surface casing.
- The gamma ray will be left on to record from total depth to surface casing.
- Other log curves (resistivities, porosity, and caliper) will record from total depth to surface casing.
- A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

- Expected BHP 1,500-2,000 psi (lower than normal pressure gradient).
- No abnormal temperature or pressures are anticipated.
- The formations to be penetrated do not contain known H₂S gas.

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DRILLING PLAN

APPROVAL OF OPERATIONS

11. WATER SUPPLY

- No water pipelines will be laid for this well.
- No water well will be drilled for this well.
- Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.
- Water will be hauled from: Water Permit # 43-10447 Section 9. Township 8 South. Range 20 East

12. CEMENT SYSTEMS

a. Surface Cement:

- Drill 12-1/4" hole to 2,000'±, run and cement 8-5/8" to surface (depth to vary based on depth of lost circulation zone).
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.
- Cement the casing annulus to surface. Top out jobs to be performed if needed. Depending to depth of top of cement in the annulus, a 1" tubing string may or may not be utilized.

Type	Sacks	Interval	Density	Yield	Hole Volume	Cement Volume	Excess
Lead	252	0'-1,500'	11.0 ppg	3.82 CFS	619 CF	835 CF	35%
Tail	219	1,500'-2,000'	15.6 ppg	1.18 CFS	220 CF	297 CF	35%
Top Out	100	0'-200'	15.6 ppg	1.18 CFS	95 CF	118 CF	24% (if required)

Lead Mix: Premium Plus V blend. Blend includes Class "G" cement, gel, salt, gilsonite.
Slurry yield: 3.82 cf/sack Slurry weight: 11.00 #/gal.
Water requirement: 22.95 gal/sack

Tail Mix: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.
Slurry yield: 1.18 cf/sack Slurry weight: 15.60 #/gal.
Water requirement: 5.2 gal/sack

Top Out: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.
Slurry yield: 1.18 cf/sack Slurry weight: 15.60 #/gal.
Water requirement: 5.2 gal/sack

c. Production Casing Cement:

- Drill 7-7/8" hole to 8,700'±, run and cement 5 1/2".
- Cement interface is at 4,000', which is typically 500'-1,000' above shallowest pay.
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 3% KCL.

Type	Sacks	Interval	Density	Yield	Hole Volume	Cement Volume	Excess
Lead	160	3,700'-4,700'	11.5 ppg	3.12 CFS	175 CF	350 CF	100%
Tail	435	4,700'-8,700'	13.0 ppg	1.75 CFS	473 CF	946 CF	100%

Note: A caliper log will be ran to determine cement volume requirements.

Lead Mix: Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.
Slurry yield: 3.12 cf/sack Slurry weight: 11.60 #/gal.
Water requirement: 17.71 gal/sack
Compressives @ 130°F: 157 psi after 24 hours

Tail Mix: Halliburton HLC blend (Prem Plus V/JB flyash). Blend includes Class "G" cement, KCl, EX-1, Halad 322, & HR-5.
Slurry yield: 1.75 cf/sack Slurry weight: 13.00 #/gal.
Water requirement: 9.09 gal/sack
Compressives @ 165°F: 905 psi after 24 hours

13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date: November 15, 2005
Duration: 14 Days

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SURFACE USE PLAN

CONDITIONS OF APPROVAL

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 3-3H
600' FNL & 2000' FWL
Section 3-11S-20E
Uintah County, UT

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

Alameda / O. S. Wyatt, Jr. surface use is necessary prior to any surface disturbing activities.

The federal onsite inspection for the referenced well was conducted on Thursday, May 19, 2005 at approximately 3:15 pm. In attendance at the onsite inspection were the following individuals:

Ken Secrest
Robert Kay
Stan Olmstead
Karl Wright
Amy Torres

Foreman
Professional Engineer
Nat. Res. Prot. Spec.
Nat. Res. Prot. Spec.
Biologist

Dominion E & P, Inc.
Uintah Engineering and Land Surveying
Bureau of Land Management – Vernal
Bureau of Land Management – Vernal
Bureau of Land Management – Vernal

1. **Existing Roads:**

- a. The proposed well site is located approximately 13.36 miles south of Ouray, UT.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Little Canyon Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located within the existing Little Canyon Unit boundary.

2. Planned Access Roads:

- a. From the existing two-track access road that presently accesses the Big Pack Mountain area an access is proposed trending northeast approximately 0.30 miles to the proposed well site. The access consists of entirely two track upgrade and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The existing two-track road to Big Pack Mountain will need upgraded for 0.15 miles to accommodate the increase in construction drilling and production related traffic and approval to upgrade is being requested with the application.
- c. The proposed access road will consist of a 14' travel surface within a 30' disturbed area.
- d. BLM approval to construct and utilize the proposed access road is requested with this application.
- e. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- f. No turnouts are proposed since the access road is only 0.30 miles long and adequate site distance exists in all directions.
- g. No culverts or low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
- h. No surfacing material will come from federal or Indian lands.
- i. No gates or cattle guards are anticipated at this time.
- j. Surface disturbance and vehicular travel will be limited to the approved location access road.
- k. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- l. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Following is a list of existing wells within a one mile radius of the proposed well:
 - i. Water wells None
 - ii. Injection wells None
 - iii. Disposal wells None
 - iv. Drilling wells None
 - v. Temp. shut-in wells 1
 - vi. Producing wells 2
 - vii. Abandon wells None
- b. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Desert Brown to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the southwest side of the well site and traverse 1,950' southeast to the proposed 6" pipeline corridor that will service the LCU 7-3H.
- i. The new gas pipeline will be a 6" steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 1,950' is associated with this well.
- j. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. The location and type of water supply has been addressed as number 11 within the previous drilling plan information.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from Ute Tribal or BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located outboard of the location and along the southeast side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be lined with 12 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved Dominion disposal well for disposal.
- k. **Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.**

- l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
 - m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.
8. Ancillary Facilities:
 - a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
9. Well Site Layout: (See Exhibit B)
 - a. The well will be properly identified in accordance with 43 CFR 3162.6.
 - b. Access to the well pad will be from the south.
 - c. The pad and road designs are consistent with BLM specification
 - d. A pre-construction meeting with responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
 - e. The pad has been staked at its maximum size of 355' X 200'; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
 - f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
 - g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
 - h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
 - i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
 - j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
 - k. Pits will remain fenced until site cleanup.
 - l. The blooie line will be located at least 100 feet from the well head.
 - m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On and BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- c. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- d. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- e. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the Fee owner or BLM. The fee owner or BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Fee surface; managed by: Alameda Corp. 13.67%, O.S. Wyatt Jr. 86.33 James R. Eltzroth P.O. Box 270780, Corpus Christi TX, 78471
- b. Mineral Ownership – Federal under the management of the Bureau of Land Management - Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.

12. Other Information:

- a. AIA Archaeological has conducted a Class III archeological survey. A copy of the report will be submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report will be submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. Our understanding of the results of the onsite inspection are:
 - a. No Threatened and Endangered flora and fauna species were found during the onsite inspection.
 - b. No drainage crossings that require additional State or Federal approval are being crossed.
 - c. The wellsite is located within the floodplain of Willow Creek but is as far out of the floodplain area as possible and therefore satisfactory to the BLM.

13. Operator's Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative (Roosevelt)	Mitchiel Hall	1-435-722-4521
Company Representative (Oklahoma)	Carla Christian	1-405-749-5263
Agent for Dominion	Don Hamilton	1-435-637-4075

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Dominion Exploration & Production, Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Dominion's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 6-24-05

DOMINION EXPLR. & PROD., INC.

LCU #3-3H

SECTION 3, T11S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.45 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING TWO-TRACK ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #10-28F TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.15 MILES.

DOMINION EXPLR. & PROD., INC.

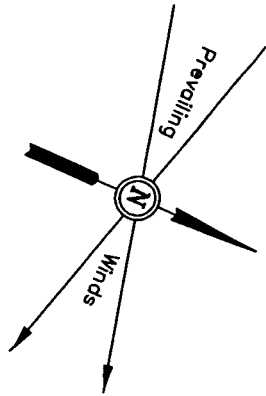
LOCATION LAYOUT FOR

LCU #3-3H

SECTION 3, T11S, R20E, S.L.B.&M.

600' FNL 2000' FWL

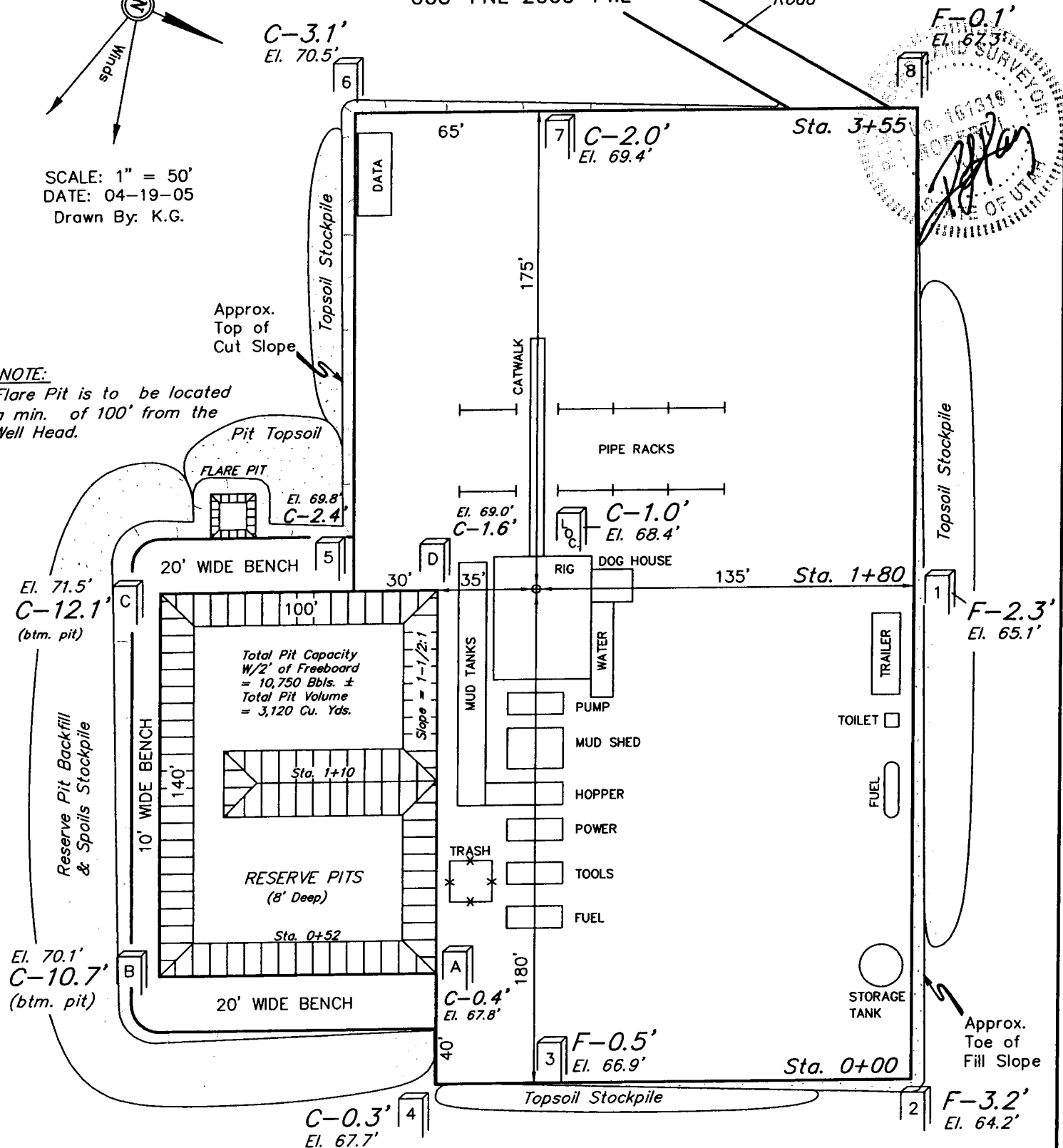
Proposed Access Road



SCALE: 1" = 50'
DATE: 04-19-05
Drawn By: K.G.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



Elev. Ungraded Ground at Location Stake = 4968.4'
Elev. Graded Ground at Location Stake = 4967.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

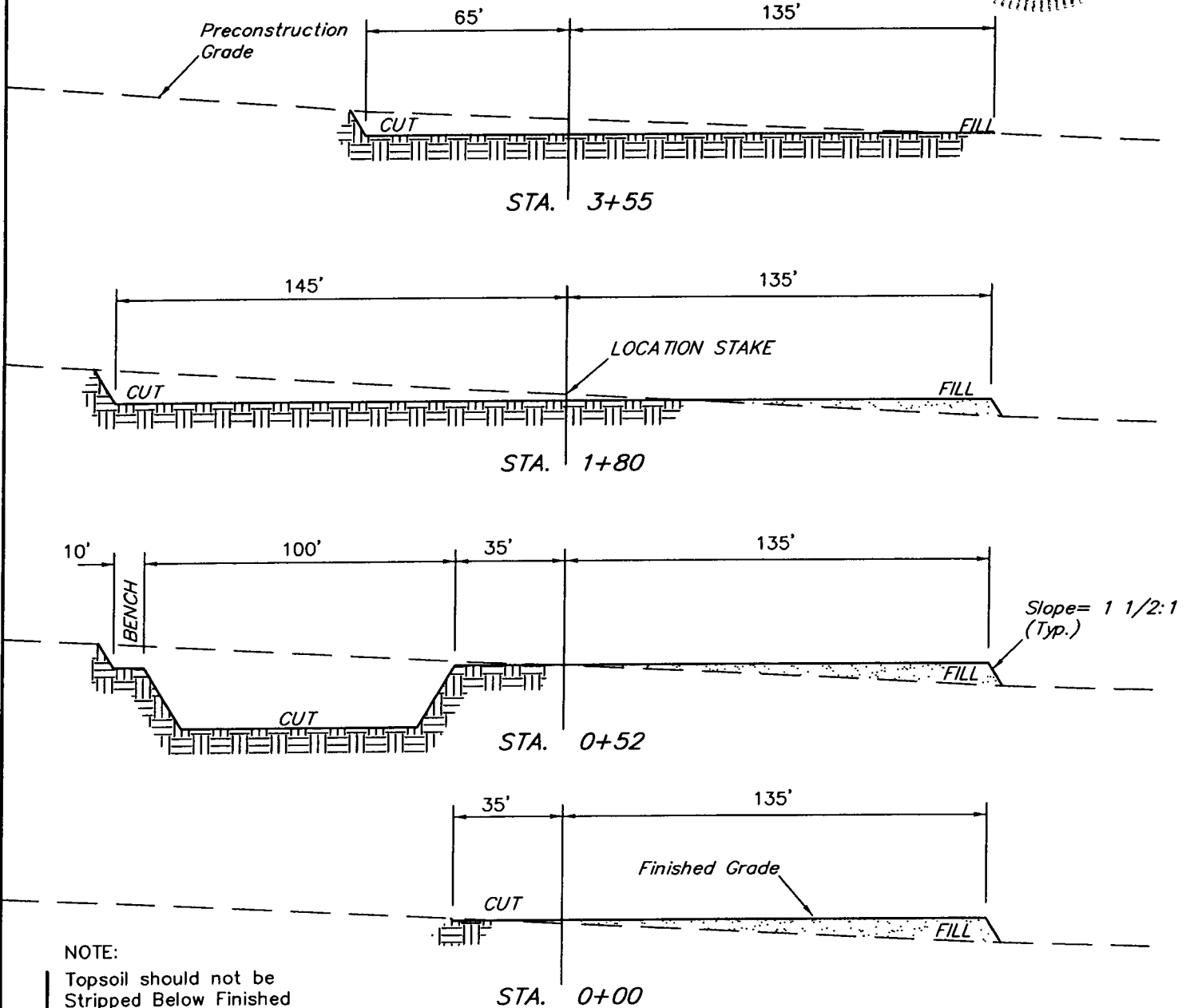
LCU #3-3H

SECTION 3, T11S, R20E, S.L.B.&M.

600' FNL 2000' FWL



1" = 20'
X-Section Scale
1" = 50'
DATE: 04-19-05
Drawn By: K.G.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT

(12") Topsoil Stripping = 3,390 Cu. Yds.

Remaining Location = 4,750 Cu. Yds.

TOTAL CUT = 8,140 CU.YDS.

FILL = 3,190 CU.YDS.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

EXCESS MATERIAL = 4,950 Cu. Yds.

Topsoil & Pit Backfill = 4,950 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

DOMINION EXPLR. & PROD., INC.

LCU #3-3H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 3, T11S, R20E, S.L.B.&M.

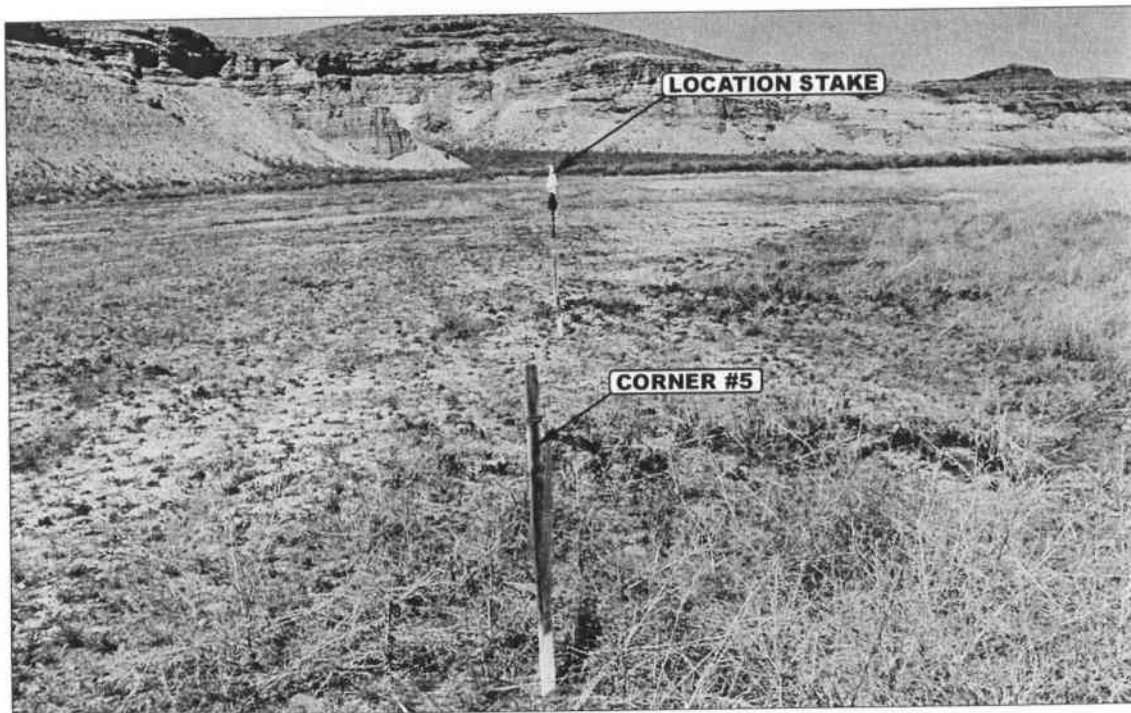


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

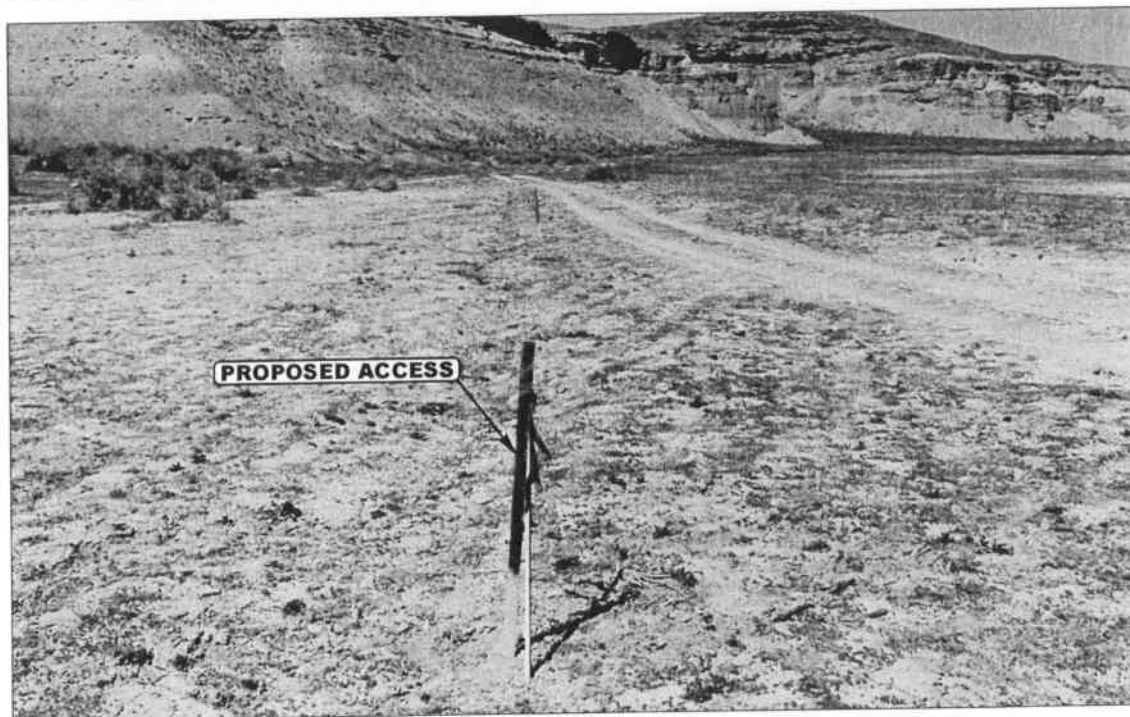


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

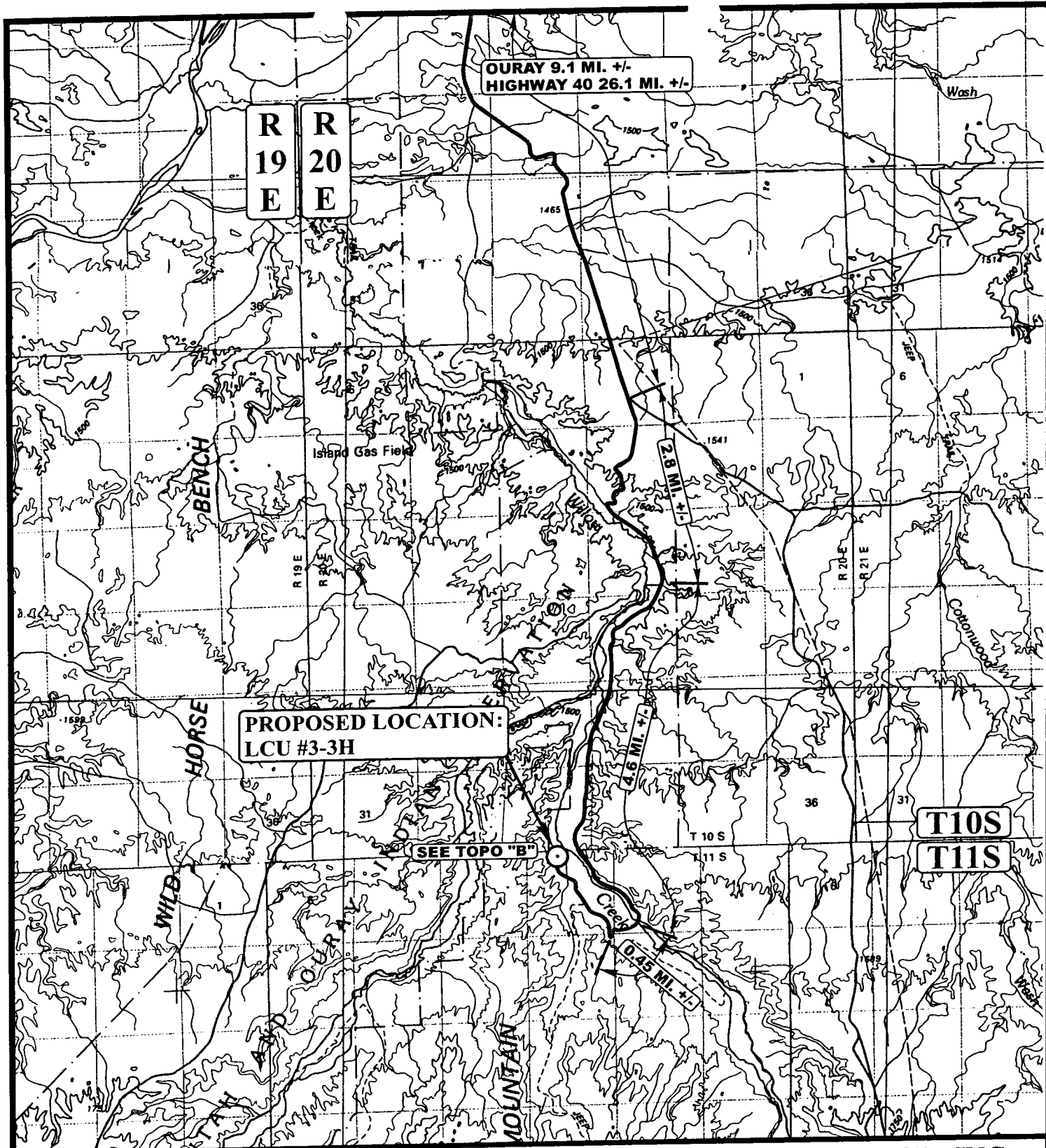
04 13 05
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION

DOMINION EXPLR. & PROD., INC.

LCU #3-3H

SECTION 3, T11S, R20E, S.L.B.&M.

600' FNL 2000' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

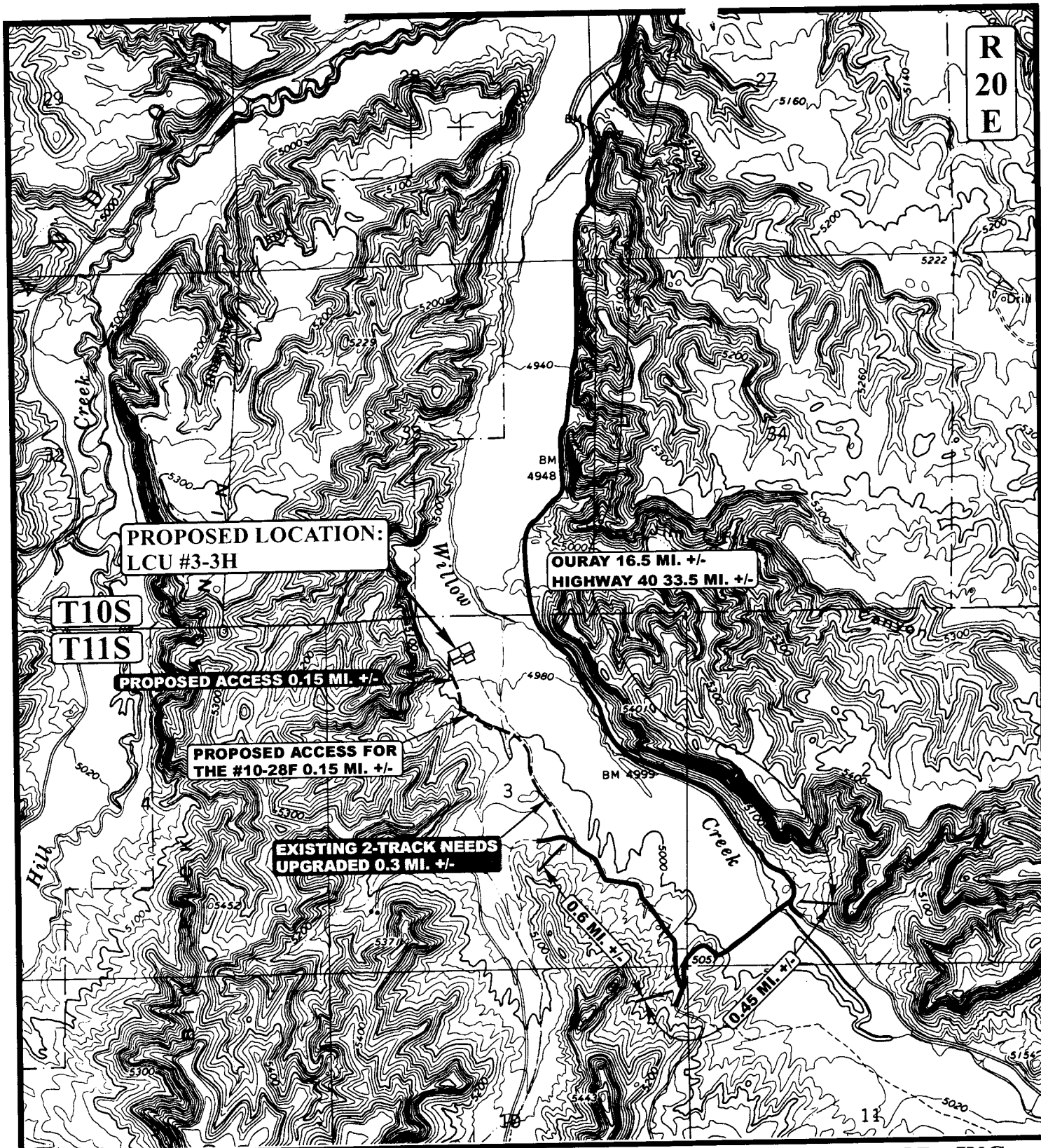
04 13 05
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00

A
TOPO



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED



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 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



DOMINION EXPLR. & PROD., INC.

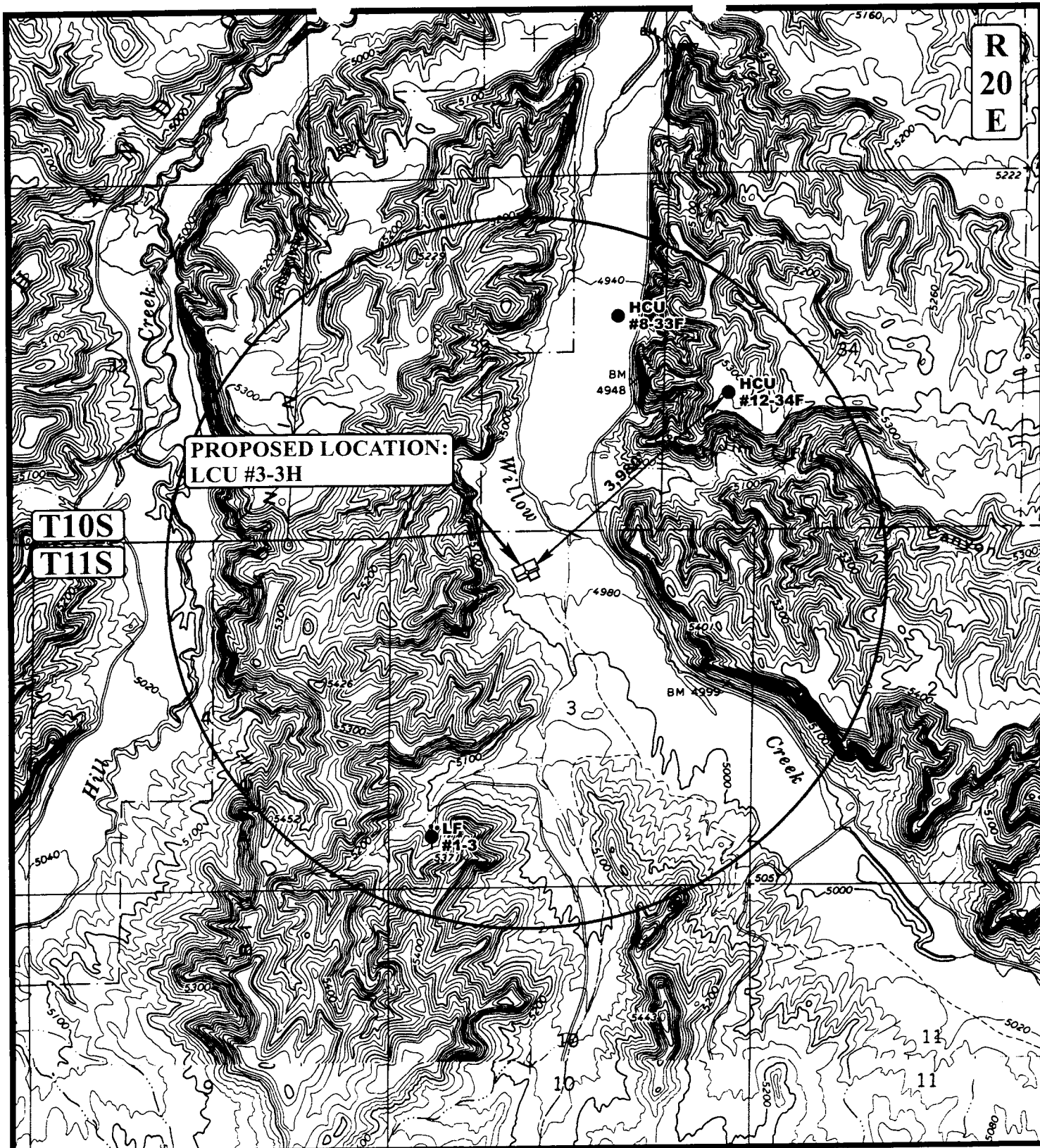
LCU #3-3H
SECTION 3, T11S, R20E, S.L.B.&M.
600' FNL 2000' FWL

**TOPOGRAPHIC
MAP**

04 13 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B
TOPO**



LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

DOMINION EXPLR. & PROD., INC.

LCU #3-3H
SECTION 3, T11S, R20E, S.L.B.&M.
600' FNL 2000' FWL



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85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

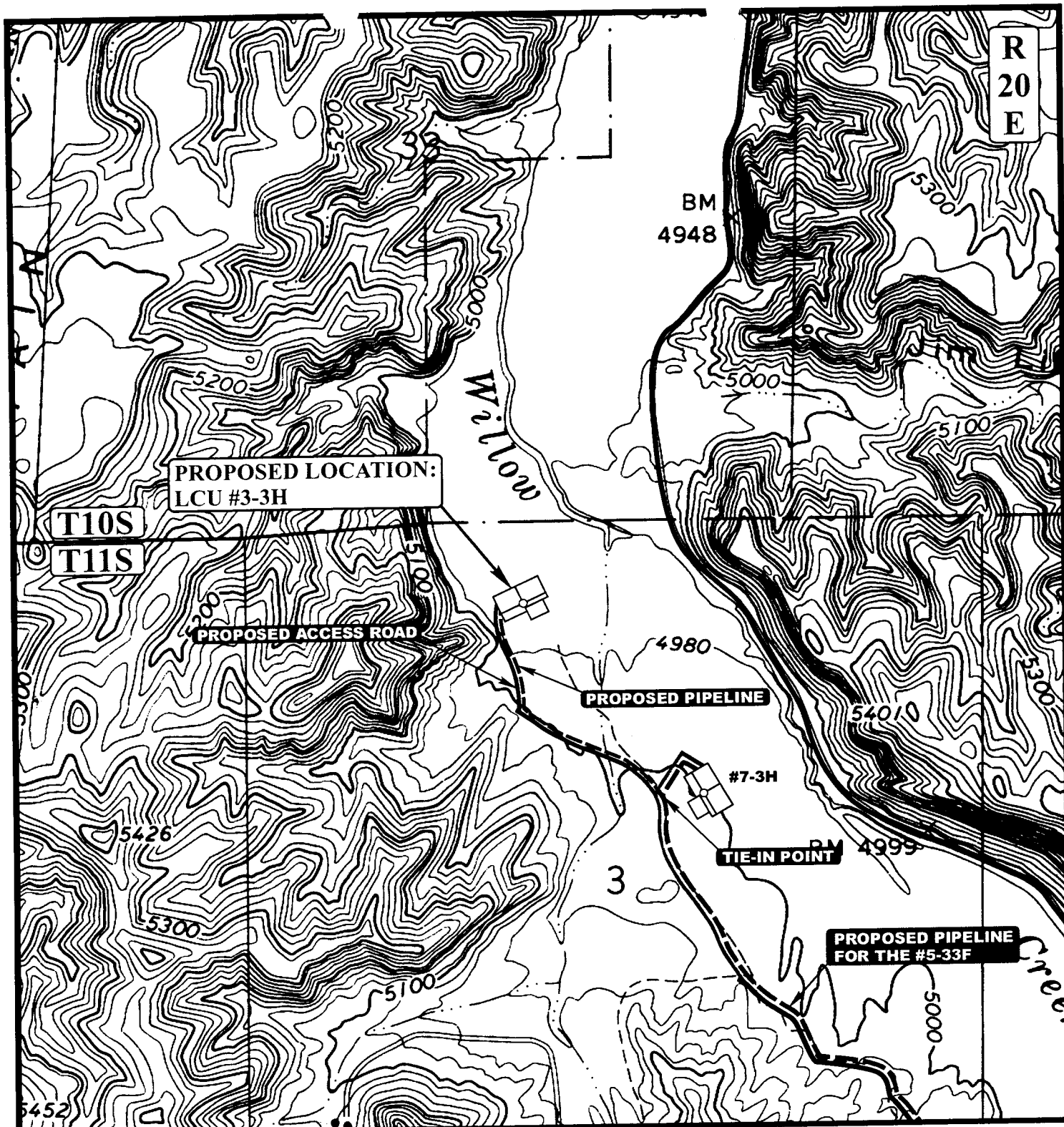


TOPOGRAPHIC
MAP

04 13 05
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,950 +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



DOMINION EXPLR. & PROD., INC.

LCU #3-3H
SECTION 3, T11S, R20E, S.L.B.&M.
600' FNL 2000' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

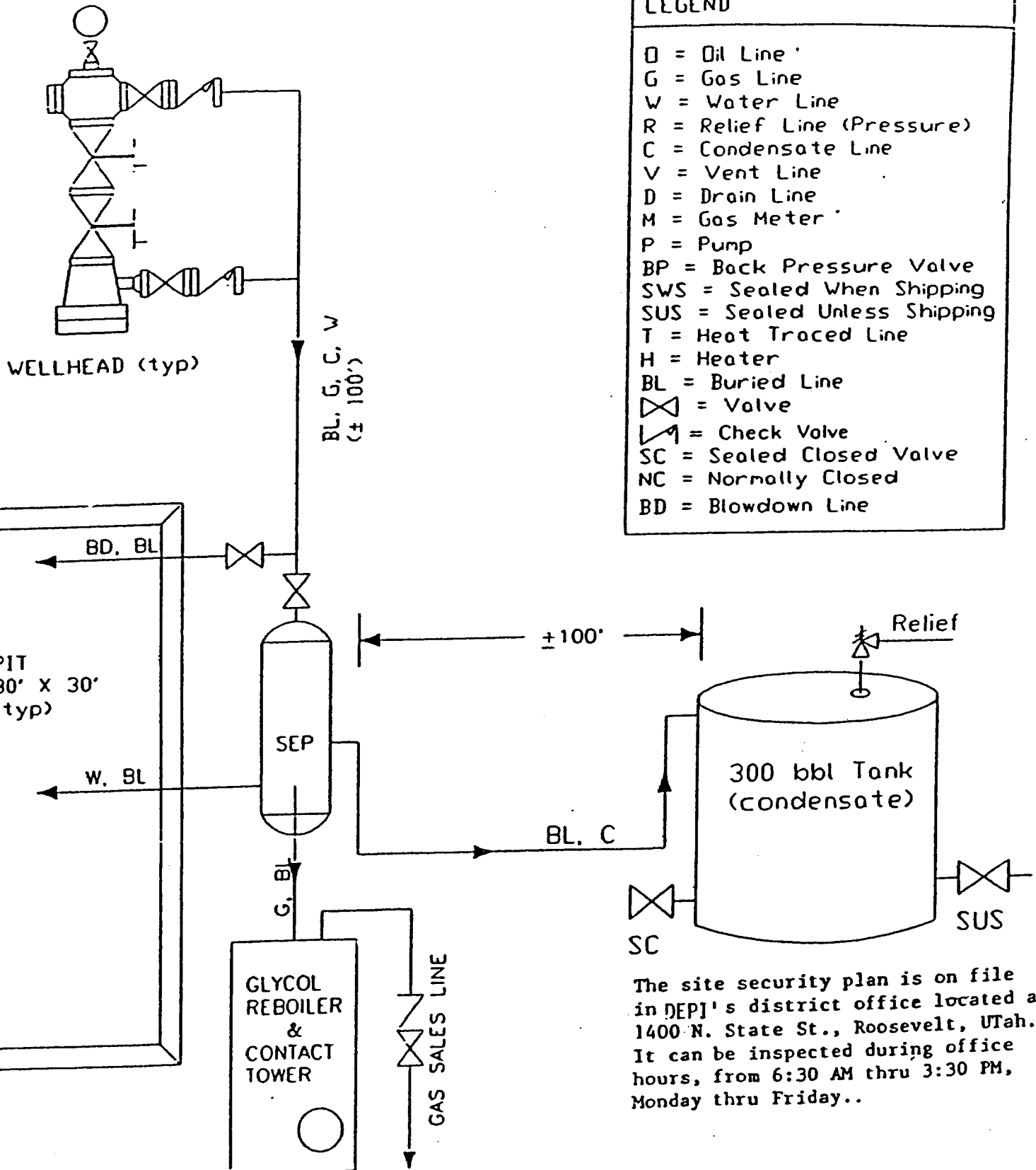
TOPOGRAPHIC 04 13 05
MAP MONTH DAY YEAR
SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00

D
TOPO

CONFIDENTIAL

LEGEND

O = Oil Line
 G = Gas Line
 W = Water Line
 R = Relief Line (Pressure)
 C = Condensate Line
 V = Vent Line
 D = Drain Line
 M = Gas Meter
 P = Pump
 BP = Back Pressure Valve
 SWS = Sealed When Shipping
 SUS = Sealed Unless Shipping
 T = Heat Traced Line
 H = Heater
 BL = Buried Line
 X = Valve
 [] = Check Valve
 SC = Sealed Closed Valve
 NC = Normally Closed
 BD = Blowdown Line



The site security plan is on file in DEP's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

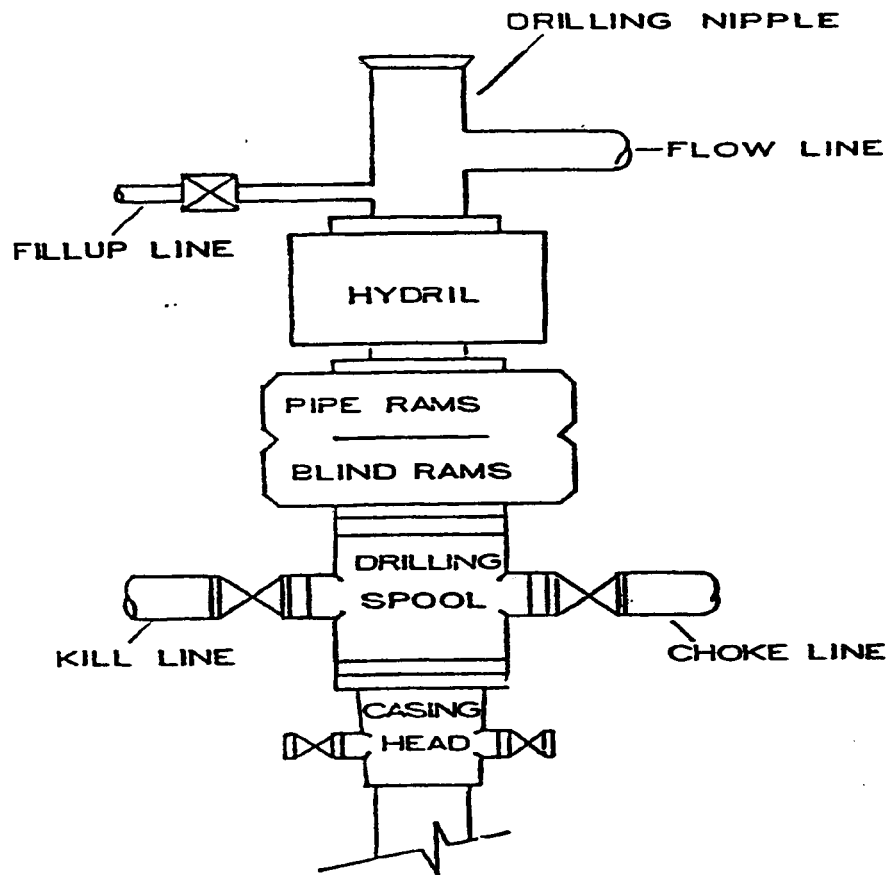
DOMINION EXPLORATION & PRODUCTION, INC.

not to scale

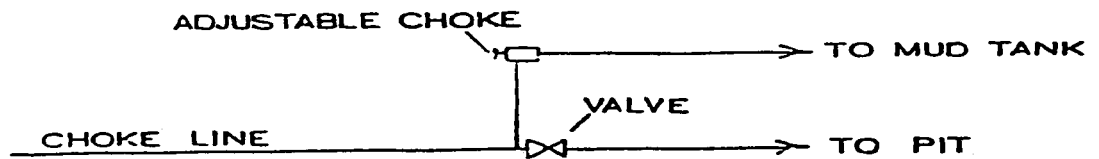
date: / /

TYPICAL FLOW DIAGRAM

BOP STACK



CHOKE MANIFOLD



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/29/2005

API NO. ASSIGNED: 43-047-36804

WELL NAME: LCU 3-3H

OPERATOR: DOMINION EXPL & PROD (N1095)

CONTACT: DON HAMILTON

PHONE NUMBER: 435-650-1886

PROPOSED LOCATION:

NENW 03 110S 200E

SURFACE: 0600 FNL 2000 FWL

BOTTOM: 0600 FNL 2000 FWL

UINTAH

HILL CREEK (617)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-44090-A

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.89487

LONGITUDE: -109.6669

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 76S630500330)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit
(No. 43-10447)

☒ RDCC Review (Y/N)
(Date:)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit LITTLE CANYON

☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

Drilling Unit

Board Cause No: _____

Eff Date: _____

Siting: _____

R649-3-11. Directional Drill

COMMENTS:

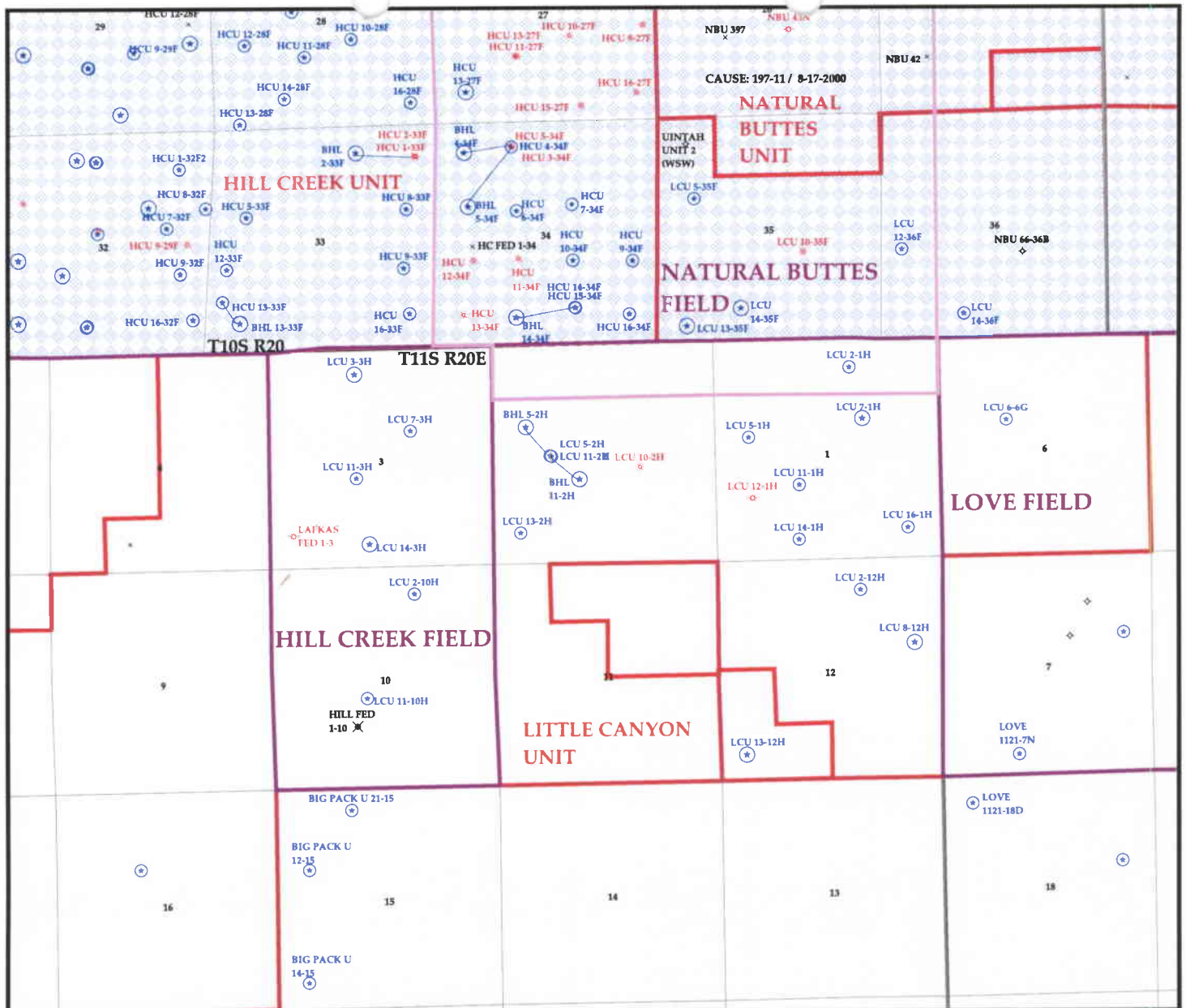
PRESITE (07-14-05)

STIPULATIONS:

1- Section Approved

2- Spacing Strip

3- STATEMENT OF BASIS



OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 3 T. 11S R. 20E

FIELD: HILL CREEK (617)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Wells

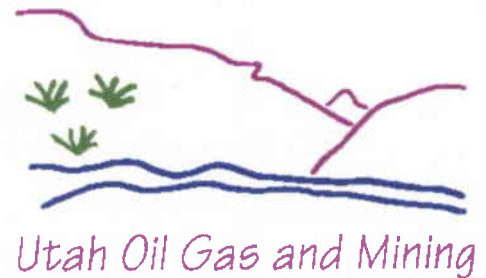
- GAS INJECTION
- GAS STORAGE
- × LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 30-JUNE-2005

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: DOMINION EXPLORATION & PRODUCTION, INC.
WELL NAME & NUMBER: LCU 3-3H
API NUMBER: 43-047-36804
LOCATION: 1/4,1/4 NE/NW Sec: 3 TWP: 11S RNG: 20E 2000' FWL 600' FNL

Geology/Ground Water:

The mineral rights for the proposed well are owned by the Federal Government. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement program.

Reviewer: Brad Hill **Date:** 07-19-05

Surface:

The predrill investigation of the surface was performed on 7/14/05. This site is on fee surface with USA minerals. Surface owner is the Alameda Corporation. Mr. Tom Jenkins, representative for Alameda, was invited to this investigation on 7/05/05. He was not present. Mr. Don Hamilton, representative for Dominion, told me that a predrill investigation for this well was conducted last month with the B.L.M. In the past, Willow Creek has occasionally changed course in this area, and this location must be monitored on a regular basis, and if the integrity of the location is in danger, it may be necessary to rip-rap the stream bank to protect the location from erosion.

Reviewer: David W. Hackford **Date:** 7/15 /05

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION

WELL NAME & NUMBER: LCU 3-3H

LEASE:	FEE	FI
--------	-----	----

LOCATION: 1/4, 1/4 NE/NW Sec: 3 TWP: 11S RNG: 20E 200

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM) : SURFACE OWNER: ALAMEDA CORP.

PARTICIPANTS

DAVID W. HACKFORD, FLOYD BARTLETT (DOGM)), DON HAMILTON (DOMINION),
DAVID WESTON (U.E.L.S.).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS IN THE BOTTOM OF WILLOW CREEK CANYON, TWO MILES SOUTH OF THE CONFLUENCE OF WILLOW CREEK AND HILL CREEK. THIS IS A BROAD VALLEY WITH A FLAT BOTTOM RUNNING SOUTHEAST TO NORTHWEST. WILLOW CREEK ENTERS THE GREEN RIVER TWELVE MILES TO THE NORTHWEST. WILLOW CREEK IS 600' NORTHEAST OF THIS SITE. CANYON WALLS ARE STEEP WITH NUMEROUS SANDSTONE FACES, OUTCROPPINGS AND SHEER ROCK LEDGES. WILLOW CREEK CUTS AN INCISED GULCH 25'-30' BELOW THE 100' YEAR FLOODPLAIN.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 355' BY 270'. ACCESS ROAD
WILL BE 0.15 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM
GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
(EXPLAIN): UNLIKELY.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY

COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: WILLOW CREEK 100 YEAR FLOODPLAIN.

FLORA/FAUNA: TAMARIX, MUSTARD, GUMWEED, SAGE, WILDFLOWERS, GREASEWOOD, IRONWEED, GIANT WHITETOP: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS, DEER, ELK.

SOIL TYPE AND CHARACTERISTICS: VERY LIGHT BROWN SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION, BUT WILLOW CREEK HAS HISTORICALLY CHANGED COURSE IN THE BOTTOM OF THIS CANYON. IT MAY BE NECESSARY TO RIP-RAP THE CREEK BANK IN THE FUTURE TO PROTECT THIS LOCATION.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED

RESERVE PIT

CHARACTERISTICS: 140' BY 100' AND EIGHT FEET DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER WILL BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SURFACE USE AGREEMENT.

SURFACE AGREEMENT: NO.

CULTURAL RESOURCES/ARCHAEOLOGY: SITE HAS BEEN INSPECTED BY JIM TRUESDALE. A COPY OF HIS REPORT WILL BE SUBMITTED TO THE STATE OF UTAH. HISTORICALLY THIS AREA WAS IRRIGATED FARMLAND, AND THERE ARE NUMEROUS PIECES OF OLD FARM EQUIPMENT AND LOG CABINS AS WELL AS ROCK DWELLINGS IN THIS AREA.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A HOT. SUNNY DAY.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

7/14/05 2:30 PM
DATE/TIME

**E. Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>2</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 22 (Level I sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

July 7, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Little Canyon Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Little Canyon Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ MesaVerde)

43-047-36803	LCU 7-1H Sec 1	T11S R20E 1906 FNL 1790 FEL
43-047-36804	LCU 3-3H Sec 3	T11S R20E 0600 FNL 2000 FWL
43-047-36805	LCU 14-3H Sec 3	T11S R20E 0519 FSL 2290 FWL
43-047-36807	LCU 8-12H Sec 12	T11S R20E 2049 FNL 0643 FEL
43-047-36808	LCU 13-12H Sec 12	T11S R20E 0581 FSL 0600 FWL
43-047-36811	LCU 14-35F Sec 35	T10S R20E 0756 FSL 1962 FWL
43-047-36812	LCU 13-35F Sec 35	T10S R20E 0362 FSL 0679 FWL
43-047-36806	LCU 15-9H Sec 9	T11S R20E 0895 FSL 2253 FEL
43-047-36809	LCU 12-16H Sec 16	T11S R20E 1747 FSL 0947 FWL
43-047-36813	LCU 12-6G Sec 6	T11S R21E 2056 FSL 0603 FWL

The LCU 13-12H, 43-047-36808, is located on Tract 18 of the Little Canyon Unit which is currently considered uncommitted and is not subject to the Little Canyon Unit.

The LCU 12-6G, 43-047-36813, is located on Tract 13 of the Little Canyon Unit. This tract is currently unleased federal acreage pending lease issuance.

This office has no objections to permitting the remaining wells at this time.

/s/ Michael L. Coulthard



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 24, 2006

Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

Re: Little Canyon Unit 3-3H Well, 600' FNL, 2000' FWL, NE NW, Sec. 3,
T. 11 South, R. 20 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36804.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Dominion Exploration & Production, Inc.
Well Name & Number Little Canyon Unit 3-3H
API Number: 43-047-36804
Lease: UTU-44090-A

Location: NE NW **Sec.** 3 **T.** 11 South **R.** 20 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

1. **Access.** Grantors acknowledge Grantee's right of access over and across the surface estate in the Section 3 Lands and such surface use as is reasonably necessary for access to the Wells and to any future wells.

2. **Compensation for Access Road.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$591.00 for the Right-of-Way which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted and is deemed full payment for the Right-of-Way during its entire term.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Right-of-Way, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Non-Exclusive Grant to Grantee.** Grantee acknowledges Grantors hold title to the respective surface estate. Grantee acknowledges that the road easement and right-of-way is a non-exclusive grant and that Grantor on behalf of itself and its employees, agents, contractors, officers and invitees retain the full right to use the road made the subject of this road easement. Grantee shall repair all damages to the road caused by Grantee's use of the road. Grantee also agrees to pay a reasonable prorate portion of the normal annual maintenance of the road. Grantors, their successors, assigns, invitees, and licensees shall not unreasonably interfere with Grantee's operations on the access roads nor with any of their attendant equipment and operations. Grantee agrees to construct the road contemplated herein in a good and workmanlike manner and in such a way as to not alter the natural drainage and shall keep the roadway clean and free of debris and trash.

7. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its

contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

8. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

9. **Ownership of the Access Road upon Termination.** The access road constructed by Grantee on the Section 3 Lands shall become the Grantors' property upon termination of this Agreement.

10. **Rehabilitation and Restoration.** The access road constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Wells in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the access road, or any respective portion or segment thereof in an unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

11. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

12. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

13. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

14. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Right-of-Way.

15. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

16. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

17. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

18. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

19. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By Mr. J. Arnold

Its President

DEM

Oscar S. Wyatt, Jr.

By Oscar S. Wyatt Jr.

DEM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

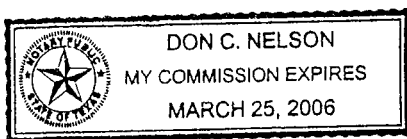
NOTARY PUBLIC

Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. T. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson

NOTARY PUBLIC

Residing at: HOUSTON, HARRIS County, TX

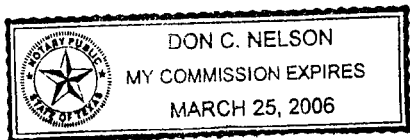
My Commission Expires:

STATE OF TEXAS)

: ss.

COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYATT, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

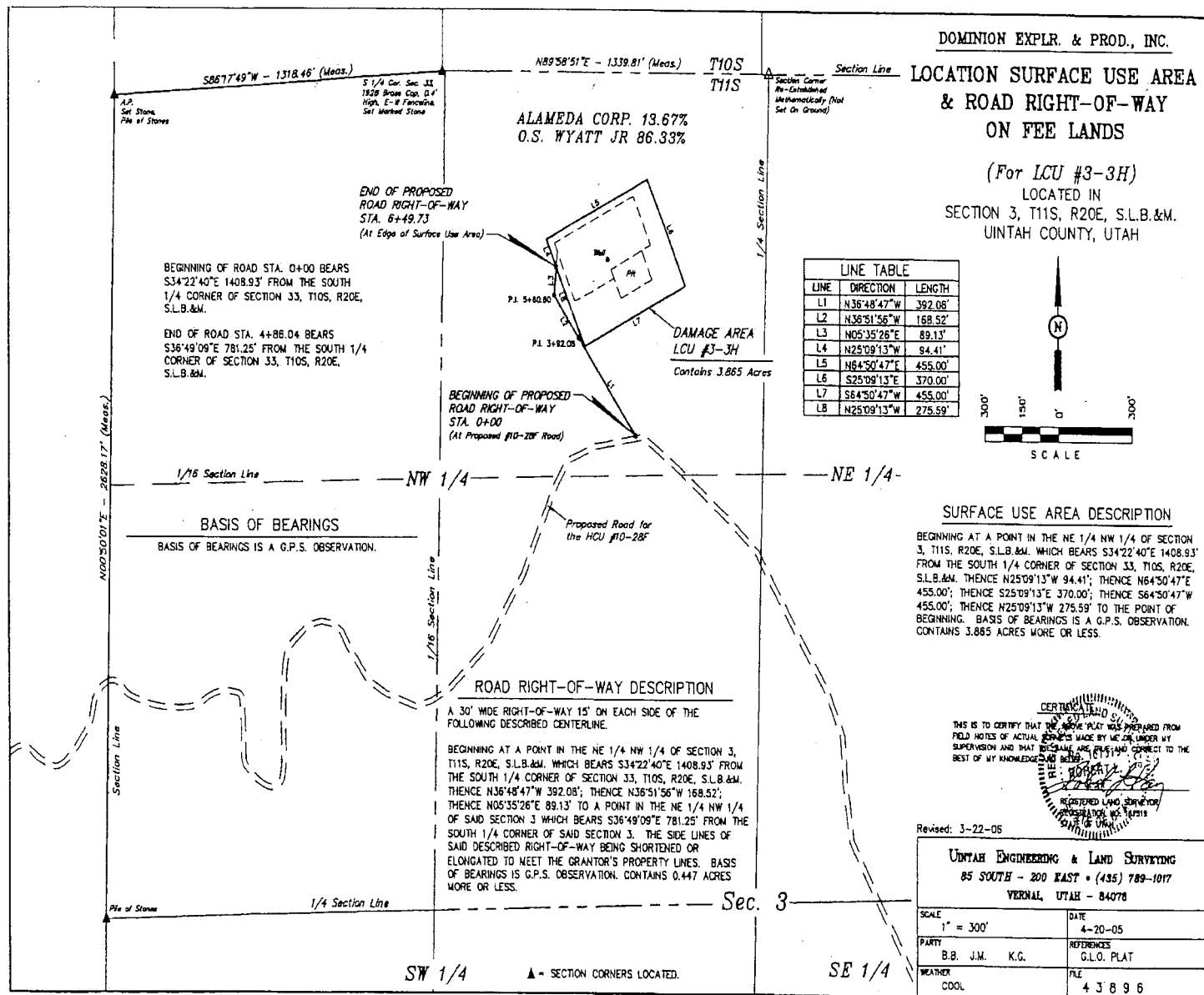


EXHIBIT "A"

PIPELINE EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS PIPELINE EASEMENT AND RIGHT-OF-WAY AGREEMENT ("Agreement") is entered into this 3rd day of May, 2006, by and between **OSCAR S. WYATT, JR.** whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and **ALAMEDA CORPORATION** whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("Grantors"), and **DOMINION EXPLORATION AND PRODUCTION, INC. ("Dominion") ("Grantee")**, with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$

(containing 120.00 acres, more or less)

("Section 3 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 3-3H Well ("Well") to be drilled NE $\frac{1}{4}$ NW $\frac{1}{4}$ of the Section 3 Lands; and,

E. Grantee desires to construct, operate, and maintain a natural gas (gathering system) pipeline to the Well; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the pipeline easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$1,679.00 and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, a right-of-way and easement ("Easement") to construct, maintain, operate, inspect, repair, alter, replace and remove pipelines and appurtenant facilities for the transportation of oil, gas, or other hydrocarbons across, under, or over the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Easement shall be 30 (thirty) feet wide, 15 (fifteen) feet on either side of the centerline, for a distance of 111.93 rods, and contain approximately 1.272 acres.

1. **Access.** Grantors acknowledge Grantee's non-exclusive right of access on and over the surface estate in the Section 3 Lands and such surface use as is reasonably necessary to produce and transport oil, gas, and associated hydrocarbons, as defined by Utah law. Should Grantee's activities damage any of Grantor's roads or fences, Grantee shall promptly repair or compensate Grantor to repair such damages.

2. **Compensation for Pipeline Right-of-Way and Easement.** Grantee will pay to Grantors at the time of the signing of this Agreement the sum of \$1,679.00 for the Easement which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantee shall have all rights and benefits necessary or convenient for the full enjoyment and use of the rights granted, including the right of ingress and egress over and across the Section 3 Lands to and from the Easement, and the right from time to time to cut trees, undergrowth, and other obstructions that may injure, endanger, or interfere with the Grantee's use of the Easement. Grantee agrees to conduct all of its operations in a good and workmanlike manner and after completion of construction, shall remove all debris, trash, equipment and surplus materials from the right-of-way. Should any of the pipeline be buried, Grantee shall inspect the right-of-way twice a year to insure that there are no wash outs or depressions in the pipeline ditch and if such exist Grantee shall take such actions as necessary to fill in the depressions and restore the surface to the original condition as much as reasonably possible.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future

condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this contract.

9. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

10. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

ACCESS ROAD EASEMENT AND RIGHT-OF WAY AGREEMENT

THIS ACCESS ROAD EASEMENT AND RIGHT-OF-WAY AGREEMENT ("Agreement") is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("Grantors"), and Dominion Exploration and Production, Inc. ("Grantee"), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: NE $\frac{1}{4}$ NW $\frac{1}{4}$

(containing 40.00 acres, more or less)

("Section 3 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 3-3H Well ("Well") to be drilled in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of the said Section 3 Lands; and,

E. Grantee desires to construct, operate, and maintain an access road on the Section 3 Lands to be used both for access to the Well and as a connector road to Grantee's wells in adjoining sections; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for the access road easement and right-of-way.

NOW THEREFORE, for and in consideration of sum of \$591.00 and other good and valuable consideration, Grantors grant, convey, warrant and deliver to Grantee and its successors and assigns, an easement and right-of-way ("Right-of-Way") for roadway purposes over and across the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said, Right-of-Way shall be thirty (30) feet wide, fifteen (15) feet on either side of the centerline, for a distance of 39.38 rods, and contain approximately 0.447 acres.

RECEIVED

AUG 24 2006

11. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Easement.

12. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

13. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

14. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

15. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

16. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one original.

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By M. J. Grucel

Its President

Oscar S. Wyatt, Jr.

By Oscar S. Wyatt Jr.

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

Before me on this _____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

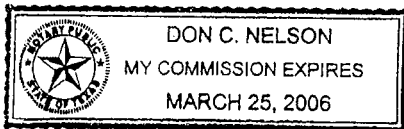
NOTARY PUBLIC

Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. J. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

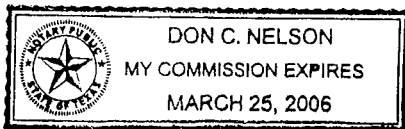


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

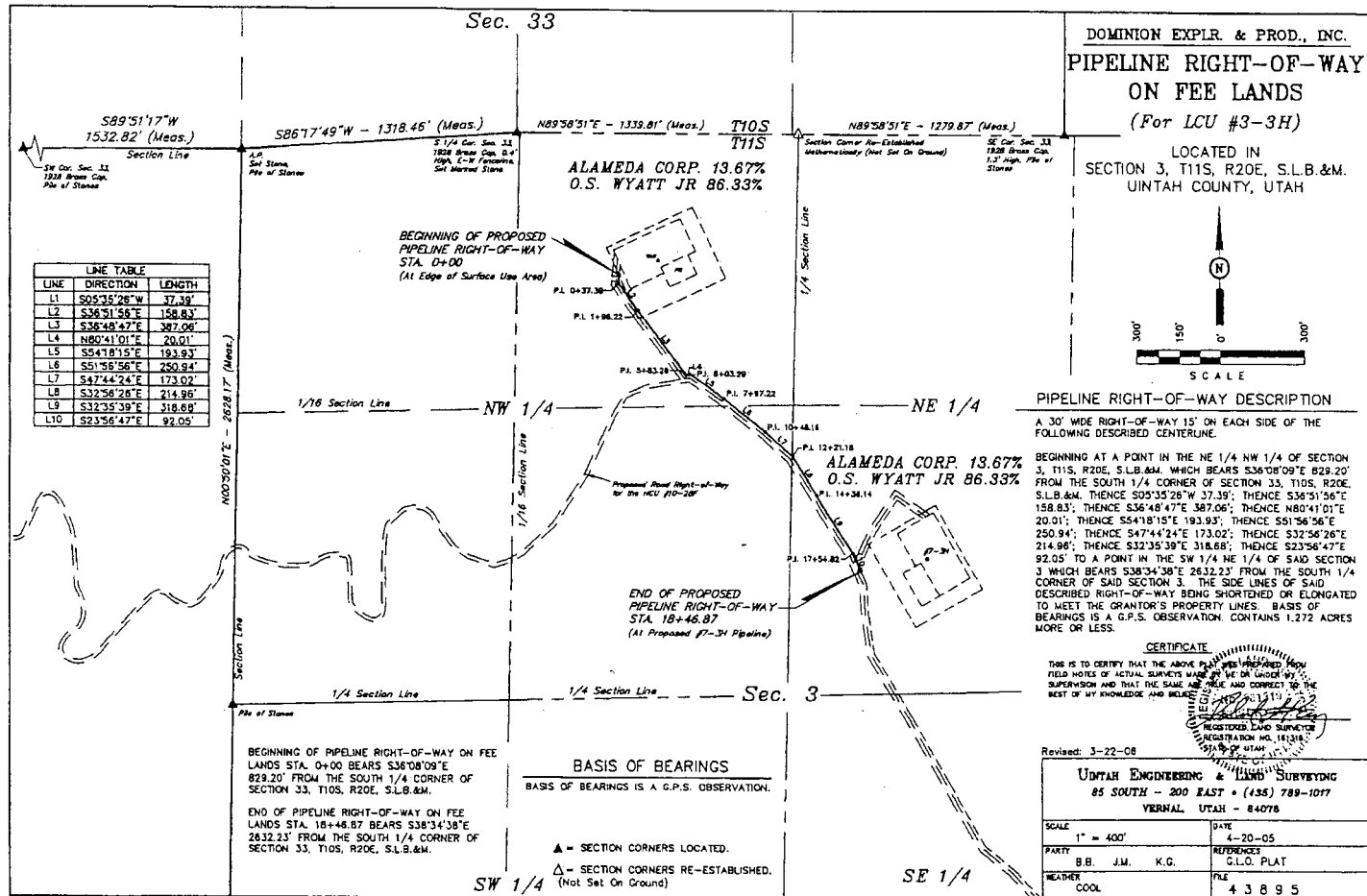
STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared OSCAR S. WYATT, JR. known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:



43047-36504

WELL-SITE SURFACE USE AGREEMENT

THIS WELL-SITE SURFACE USE AGREEMENT ("Agreement") is entered into this 3rd day of May, 2006, by and between Oscar S. Wyatt, Jr. whose mailing address is 8 Greenway Plaza, Suite 930, Houston, Texas 77046 and Alameda Corporation whose mailing address is 8 Greenway Plaza, Suite 930, Houston, TX 77046 ("Grantors"), and Dominion Exploration and Production, Inc. ("Grantee"), with offices at 14000 Quail Springs Parkway, #600 Oklahoma City, OK 73134-2600.

Recitals

A. Grantors are the fee simple owners of record title of the surface estate in the following described lands in Uintah County, Utah:

Township 11 South, Range 20 East, S.L.M.

Section 3: NE $\frac{1}{4}$ NW $\frac{1}{4}$,

(containing 40.00 acres, more or less)

("Section 3 Lands"); and

B. Grantee is in the business of exploring for, developing, producing, and processing natural gas, oil, and associated hydrocarbons; and,

C. Grantee has acquired rights to the oil and gas estate underlying the Section 3 Lands from the United States, owner of the mineral estate; and,

D. Grantee is the operator of the LCU 3-3H Well to be drilled in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of the Section 3 Lands (the "Well"); and,

E. Grantee desires to construct, operate, and maintain a well-site for the Well on the Section 3 Lands; and,

F. With this Agreement, Grantee and the Grantors desire to establish terms for surface damages that may result from Dominion's construction, operation, and maintenance of the well-site on the Section 3 Lands.

NOW THEREFORE, for and in consideration of the sum of Ten Thousand Dollars (\$10,000.00), and other good and valuable consideration, Grantors grant to Grantee and its successors and assigns, rights to construct, operate, and maintain a well-site ("Well-Site") on and over the Section 3 Lands, depicted and described on the plat attached hereto as Exhibit A, and incorporated into this Agreement by reference. Said Well-Site shall conform substantially to the proposed approximate 3.865 acre, rectangular location described on the attached Exhibit A.

RECEIVED

AUG 24 2006

DIV. OF OIL, GAS & MINING

1. **Access and Use.** Grantors acknowledge Grantee's right of access on and over the surface estate in the Section 3 Lands and such surface use as is reasonably necessary to explore for and produce oil, gas, and associated hydrocarbons, as defined by Utah law. Grantors further acknowledge that Grantee is entitled to use the Well-Site for all drilling, testing, and completion operations, including, but not limited to the use of reserve pits, construction, installation, and maintenance of production equipment and facilities such as flow lines, gas gathering lines, separators, tank batteries, and other equipment or facilities necessary or convenient to the production, transportation, and sale of oil, gas, and other materials produced by or used for production of oil or gas from the Section 3 Lands.

2. **Compensation for Well-Site.** Grantee shall pay to Grantors at the time of the signing of this Agreement the sum of \$10,000.00 for the Well-Site which includes damages to the surface estate resulting from its construction and use. The foregoing compensation includes all sums to be paid for damages to the surface estate resulting from the exercise of rights herein granted.

3. **Term of Grant.** Rights granted by this Agreement shall continue so long as Grantee, its successors or assigns, are actively engaged in operations on the Section 3 Lands, or until written surrender of such rights by Grantee, its successors or assigns, whichever is the earlier. Grantee shall have the authority to surrender separately any part of the Section 3 Lands, in which event, the surrendered portion of the Section 3 Lands shall no longer be subject to this Agreement.

4. **Right of Occupancy.** Grantors hereby grant to Grantee the right of immediate occupancy of the Well-Site, to the extent not heretofore granted, as shall be reasonably necessary for these purposes under this Agreement.

5. **Assignment of Rights.** All rights and obligations under this Agreement shall run with the Section 3 Lands and shall inure to the benefit of and be binding upon the heirs, successors, or assigns of each party.

6. **Indemnification.** Grantee and its agents, subcontractors and agents hereby agree to indemnify and hold Grantors, its employees, heirs, agents, lawyers and assigns harmless of, from and against all liabilities, claims, damages, losses, liens, fines, penalties, costs, causes of action, suits, judgments and expenses (including without limitation court costs, attorneys' fees and paralegal fees, fees and costs of expert witnesses and costs of investigation) of any nature, kind or description or any person or entity (including but not limited to deaths of or injuries to employees of Grantee and its contractors, agents and employees or any other persons, including all third persons whatsoever), or damages to property, directly or indirectly, proximately or remotely, arising out of, caused by or resulting from, in whole or part from: (a) the present or future condition, state of repair or defect of Grantors' property and/or improvements thereto, whether latent or visible, known or unknown, (b) any act or omission (whether negligent or not) of Grantee or its employees, contractors or their employees or anyone that they control or exercise control over or any other person entering upon Grantors' property

under or with the express or implied invitation of Grantee, (c) any breach, violation of this Agreement or (d) the use of or occupancy of the property even if and including if any such liabilities arise from or are attributable to, in whole or in part, to Grantors' negligence or strict liability. In case any action or proceeding is brought against Grantors by third parties resulting from Grantee's activities on the property, upon notice, Grantee agrees to defend Grantors in such action or proceeding.

7. **Notices and Payment.** Notices shall be in writing and shall be given by certified or registered mail to Dominion, Oscar S. Wyatt, Jr., and Alameda Corporation at the following addresses:

Dominion Exploration and Production, Inc.
14000 Quail Springs Parkway, # 600
Oklahoma City, OK 73134-2600
Attention: Mr. Russell R. Waters

Oscar S. Wyatt, Jr.
8 Greenway Plaza, Suite 930
Houston, TX 77046

Alameda Corporation
8 Greenway Plaza, Suite 930
Houston, TX 77046

or to such address as the party may designate to the other in writing not less than thirty days before that event which triggers notices. Notices shall be effective the third day after the date of mailing, postage prepaid.

8. **Ownership of Fences, Gates, and Improvements upon Termination.** Any fences, gates or other improvements constructed by Grantee on the Section 3 Lands except the well-site equipment shall become the Grantors' property upon termination of this Agreement.

9. **Rehabilitation and Restoration.** The Well-Site constructed by Grantee shall be restored as near as possible to its original condition and reseeded with native grasses upon abandonment of the Well in accordance with acceptable industry practices and in compliance with all applicable laws and regulations in effect at the time of restoration. Provided however, that Grantors may at their option elect to have Grantee (or its successor) leave the Well-Site, or any respective portion or segment thereof in an unrestored or partially restored state, with the understanding that Grantors shall then assume responsibility for any restoration thereafter required by law.

10. **Governing Law.** The laws of the State of Utah shall control the rights of the parties under this Agreement.

11. **Modifications.** This Agreement may not be amended or modified, except by a written instrument to such effect signed by the parties.

12. **Confidentiality and Recording.** The financial terms of this Agreement shall remain confidential as between the parties. Grantee, at its option, may record in Uintah County or submit to regulatory agencies having jurisdiction over oil and gas operations, a memorandum of agreement containing essential elements of the Agreement to give constructive notice of its rights or to comply with regulatory requirements for evidence of an agreement with Grantors. However, in no event shall the financial terms be recorded or divulged to third parties, except as a legitimate purchaser or transferee.

13. **Waiver.** By signing this Agreement, neither party waives its statutory and common law rights to occupancy and enjoyment of their respective estates, except as expressly provided in this Agreement with regard to the Well-Site.

14. **Further Waiver.** Failure of either party hereto to enforce any provision of this Agreement at any time shall not be construed as a waiver of such provision or of any other provision of this Agreement.

15. **Severability.** If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

16. **Attorneys' Fees.** In the event that any party hereto brings any action to enforce or interpret the provisions of this Agreement, the prevailing party in such action, as determined by the court, shall be awarded from the non-prevailing party all of its costs and attorneys' fees incurred in connection with such action, including all costs and attorneys' fees associated with any appeals.

17. **Entire Agreement.** This Agreement, together with the attached Exhibit A, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior agreements and understandings between the parties.

18. **Counterparts.** This Agreement may be executed in counterparts. Each counterpart shall constitute an original and all counterparts together shall constitute one and the same document.

Rest of page left blank intentionally

Dated this 3rd day of May, 2006.

Dominion Exploration and Production, Inc.

By _____

Its _____

Alameda Corporation

By *[Signature]*

Its *President*

DEM

Oscar S. Wyatt, Jr.

By *Oscar S. Wyatt Jr.*

DEM

ACKNOWLEDGMENTS

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

Before me on this ____ day of _____, 2006, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

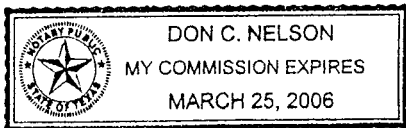
NOTARY PUBLIC

Residing at: _____

My Commission Expires:

STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared M. T. ARNOLD, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

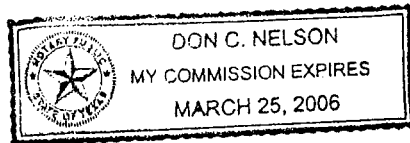


Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:

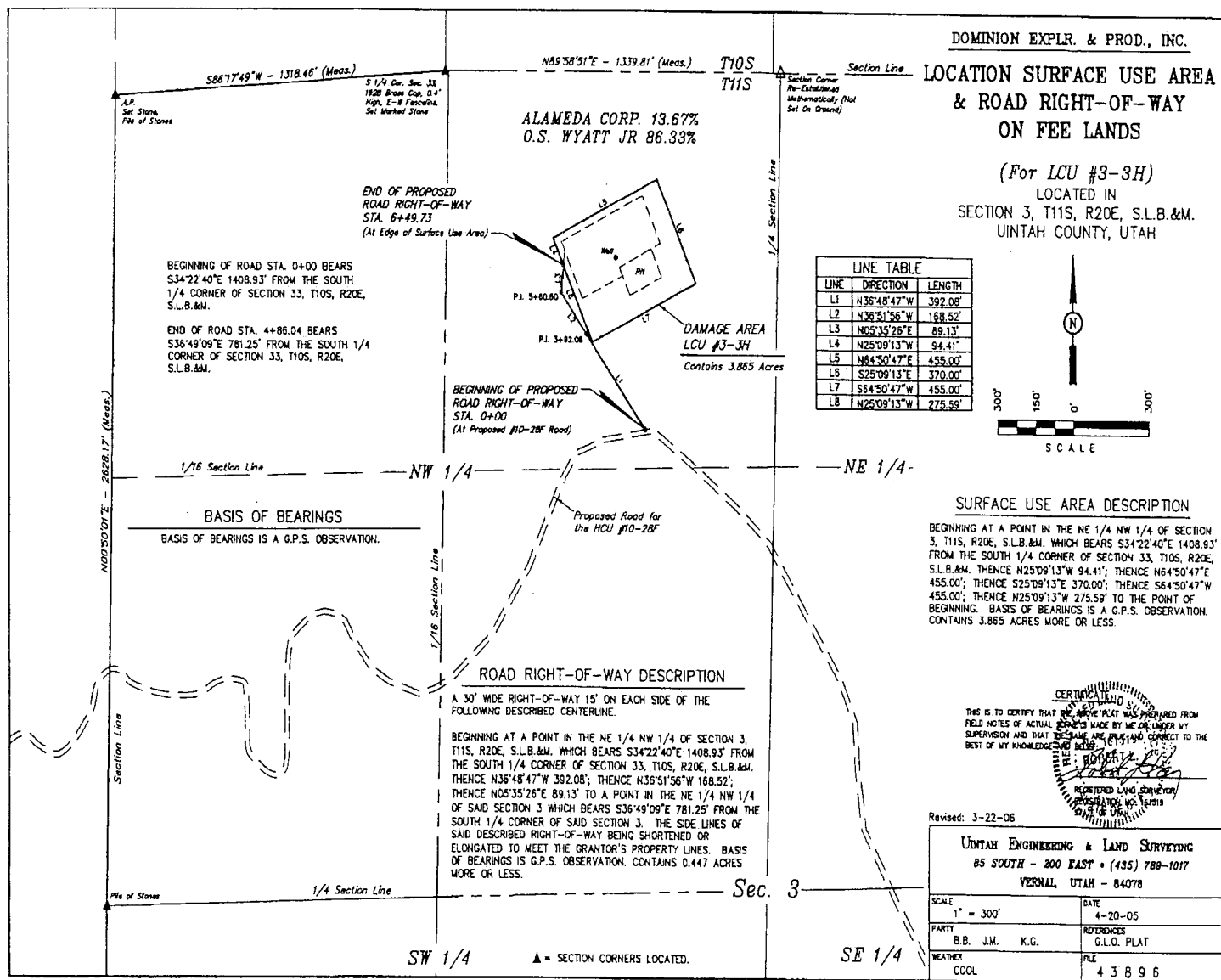
STATE OF TEXAS)
 : ss.
COUNTY OF HARRIS)

Before me on this 24th day of MAY, 2006, personally appeared
OSCAR S. WYATT, JR., known to me to be the person whose name is
subscribed to the foregoing instrument and acknowledged to me that he executed the
same for the purposes and consideration therein expressed.



Don C. Nelson
NOTARY PUBLIC
Residing at: HOUSTON, HARRIS COUNTY, TX

My Commission Expires:



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-44090-A
2. Name of Operator Dominion Exploration & Production, Inc.		6. If Indian, Allottee or Tribe Name N/A
3a. Address PO Box 1360; 1400 N. State Street, Roosevelt, UT 84066	3b. Phone No. (include area code) 435-722-4521	7. If Unit or CA/Agreement, Name and/or No. Little Canyon Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 600' FNL, 2,000' FWL, NE/4 NW/4, Section 3, T11S, R20E, SLB&M		8. Well Name and No. LCU 3-3H
		9. API Well No. 43-047-36804
		10. Field and Pool, or Exploratory Area Natural Buttes
		11. County or Parish, State Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Road and Pipeline
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Corridor Relocation
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The proposed road and pipeline corridor for the LCU 3-3H has been relocated slightly on fee lands following the federal onsite and APD submission but prior to BLM approval at the request of the landowner.

Attached please find an updated Topo A, Topo B and Topo D for the LCU 3-3H.

FILE COPY

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Don Hamilton		Title Agent for Dominion Exploration & Production, Inc.
Signature <u>Don Hamilton</u>		Date <u>10-19-06</u>

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Title _____ Office _____	Date _____
--	-----------------------------	------------

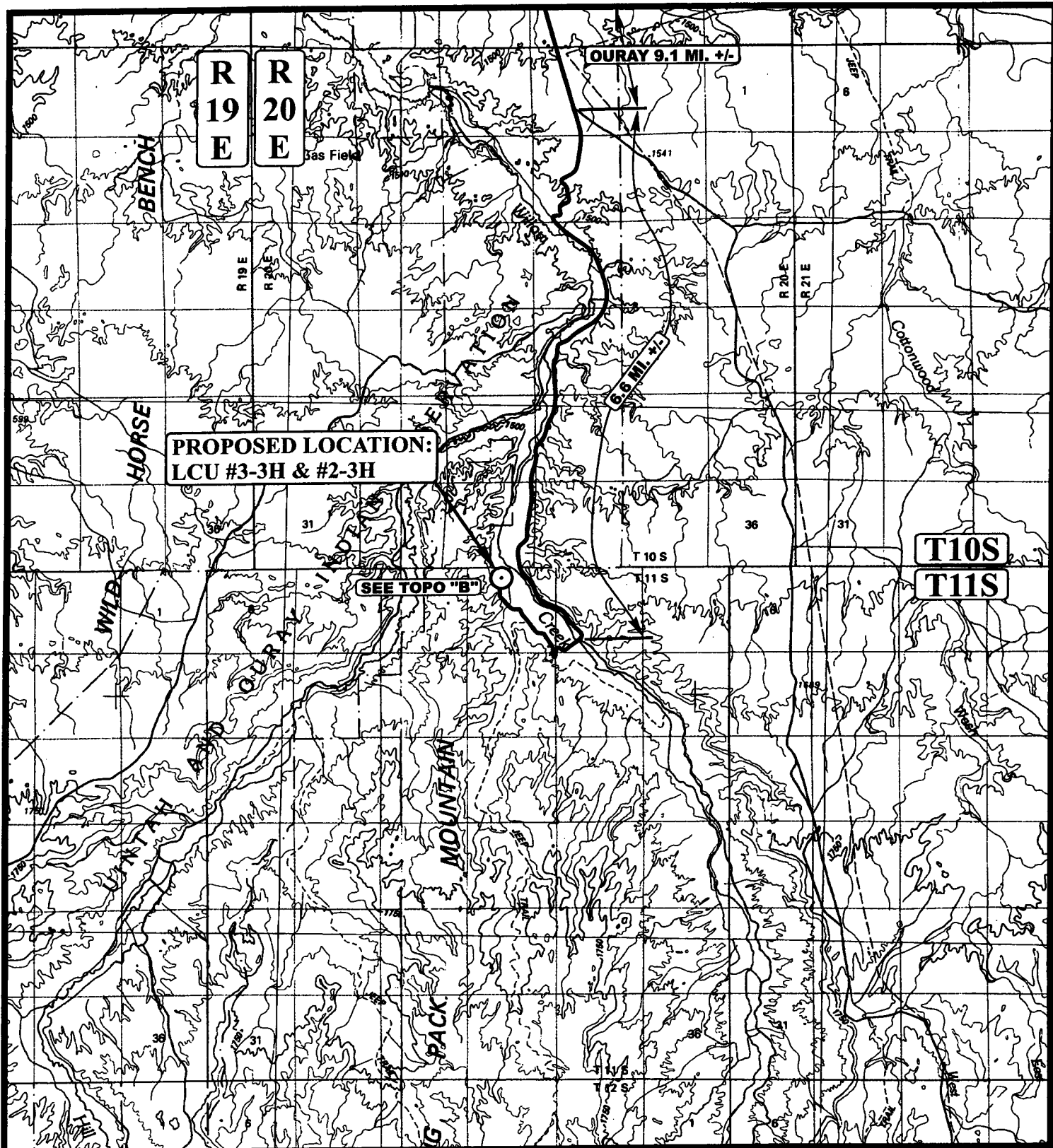
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

OCT 25 2006

DIV. OF OIL, GAS & MINING



LEGEND:

○ PROPOSED LOCATION

N

DOMINION EXPLR. & PROD., INC.

LCU #3-3H & #2-3H

SECTION 3, T11S, R20E, S.L.B.&M.

NE 1/4 NW 1/4



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

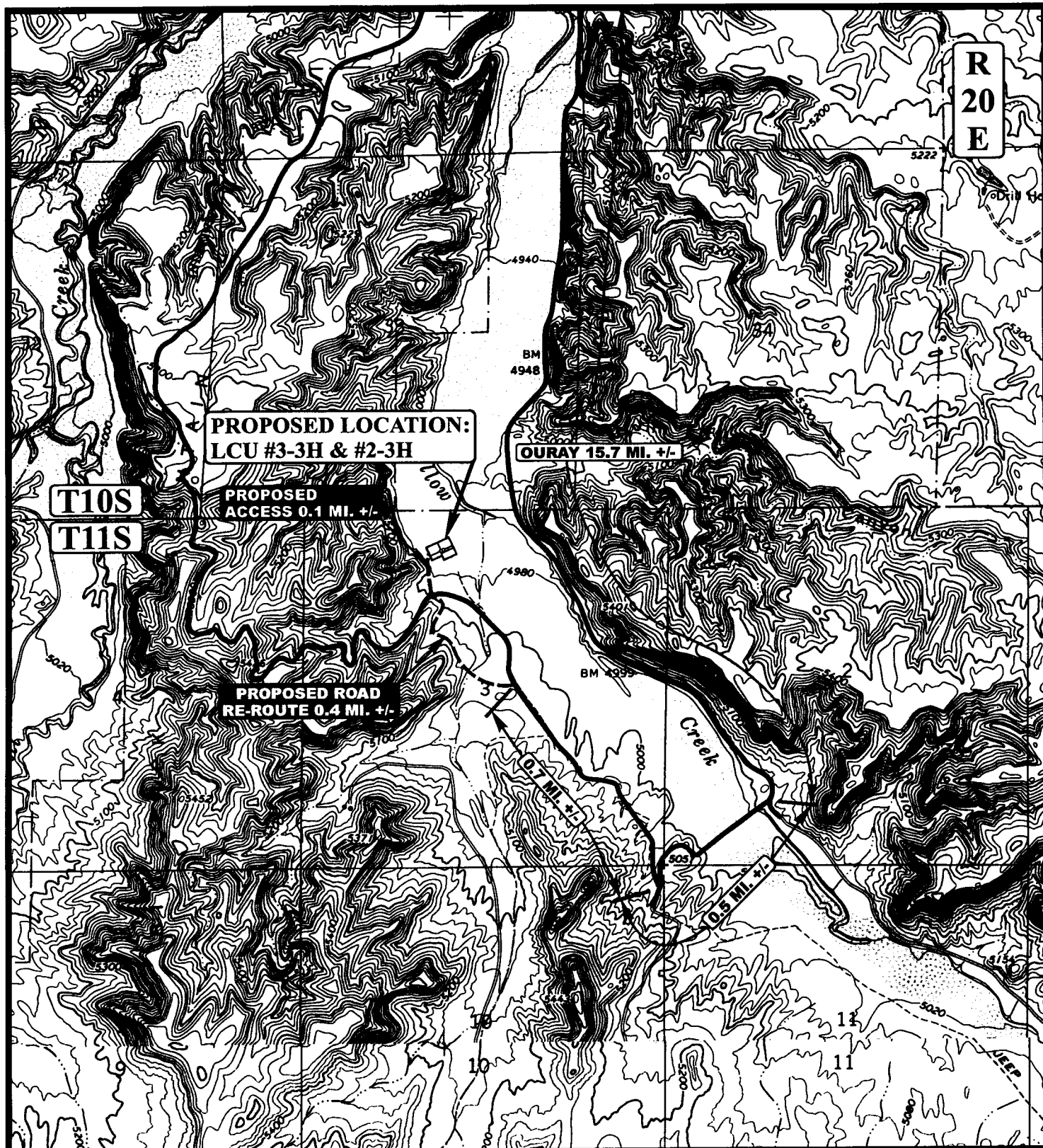
09 13 06
MONTH DAY YEAR

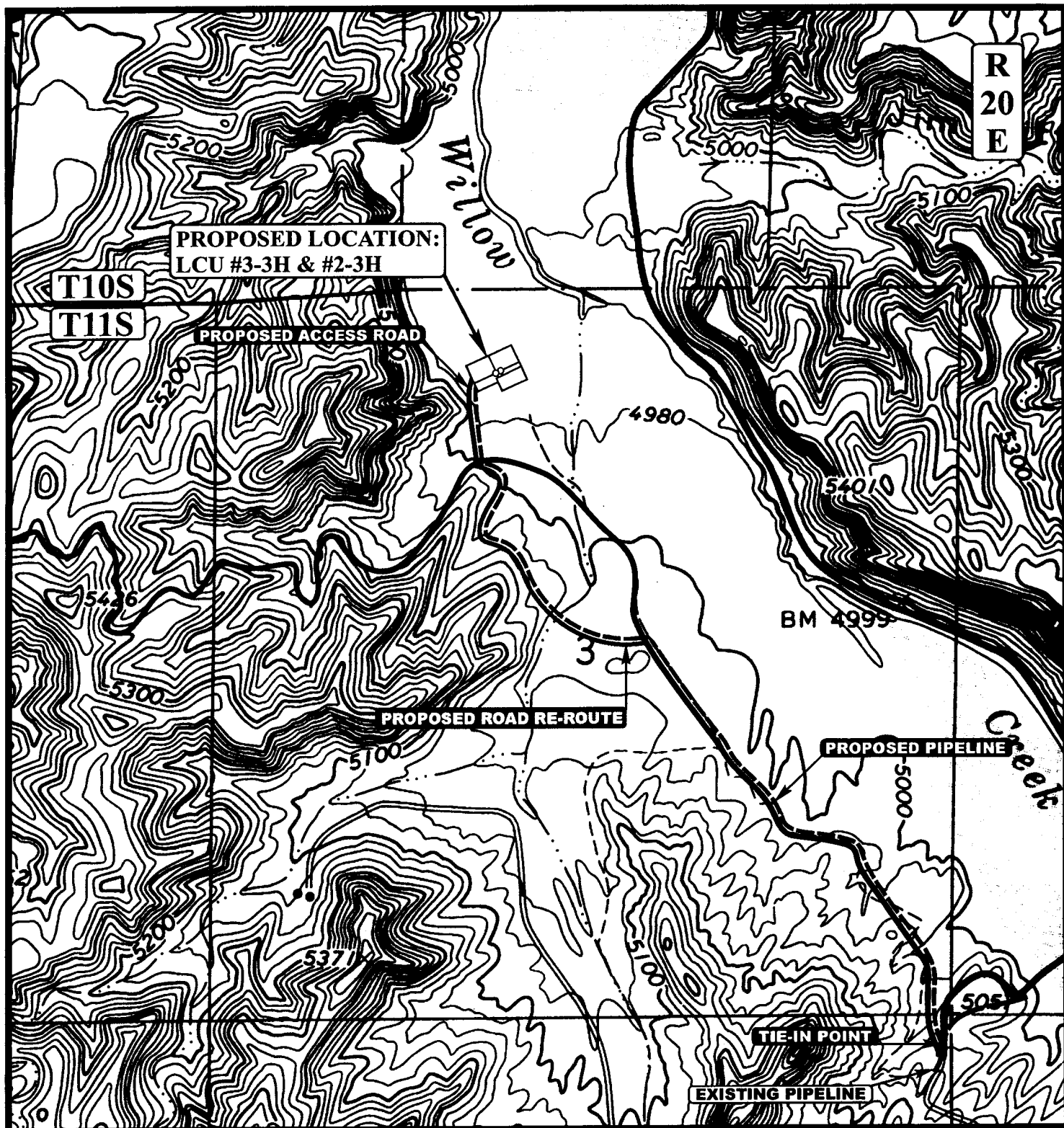
SCALE: 1:100,000

DRAWN BY: K.G.

REVISED: 09-28-06C.P.







APPROXIMATE TOTAL PIPELINE DISTANCE = 6,550' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- PROPOSED ROAD RE-ROUTE
- EXISTING PIPELINE
- PROPOSED PIPELINE

DOMINION EXPLR. & PROD., INC.

LCU #3-3H & #2-3H
SECTION 3, T11S, R20E, S.L.B.&M.
NE 1/4 NW 1/4



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

09 13 06
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 09-28-06C.P.

D
TOPO

DOMINION EXPLR. & PROD., INC.

LCU #3-3H

SECTION 3, T11S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ROAD RE-ROUTE TO THE NORTHWEST; PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.4 MILES.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)

JUN 30 2005

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Dominion Exploration & Production, Inc.

3. ADDRESS AND TELEPHONE NO.

14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134, 405-749-5263

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *)

At surface

600' FNL & 2,000' FWL, NE/4 NW/4,

At proposed prod. zone

600' FNL & 2,000' FWL, NE/4 NW/4,

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

13.36 miles southeast of Ouray, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

600'

16. NO. OF ACRES IN LEASE

309.26

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40 acres

18. DISTANCE FROM PROPOSED
LOCATION TO NEAREST WELL,
DRILLING, COMPLETED, OR
APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

8,700'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4,968' GR

22. APPROX. DATE WORK WILL START*

November 15, 2005

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55 ST&C	32#	2,000'	252 sks Lead, 219 sks, tail, 100 sks top out—see attached Drilling Plan
7-7/8"	5-1/2" Mav 80 LT&C	17#	8,700'	160 sks Lead, 435 sks Tail—see attached Drilling Plan

Bond Information:

Bond coverage is provided by Travelers Casualty and Surety Company of America, Bond #76S 63050 0330

Other Information:

Drilling Plan and Surface Use Plan are attached.

Dominion requests that this complete application for permit to drill be held confidential.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED

JAN 30 2007

DIV. OF OIL, GAS & MINING

ORIGINAL

CONFIDENTIAL

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Don Hamilton

Don Hamilton

TITLE

Agent for Dominion

DATE

June 24, 2005

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

Assistant Field Manager
Mineral Resources

DATE

11-30-2006

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Dominion Exp. & Production
Well No: LCU 3-3H
API No: 43-047-36804

Location: NENW, Sec 3, T11S, R20E
Lease No: UTU-44090-A
Agreement: Little Canyon Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	Cell: 435-828-
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

- | | | |
|---|---|--|
| Location Construction
(Notify Karl Wright) | - | Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion
(Notify Karl Wright) | - | Prior to moving on the drilling rig. |
| Spud Notice
(Notify Petroleum Engineer) | - | Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings. |
| BOP & Related Equipment Tests
(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice
(Notify Petroleum Engineer) | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

1. Surface Conditions of Approval or monitoring are listed in the Surface Use Plan of the APDs
2. Any additional conditions of approval within the private land owner's agreements signed May 3 and May 24, 2006.
3. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee will submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the Best Management Practice of the reshaping of the pad to the original contour to the extent possible; the re-spreading of the top soil up to the rig anchor points; and, reseeding the area using appropriate reclamation methods.
4. The interim seed mix for reclamation would be:

Hy-crest Crested Wheatgrass	<i>Agropyron cristatum</i>	4 lbs per acre
Western Wheatgrass	<i>Agropyron smithii</i>	4 lbs per acre
Needle and Threadgrass	<i>Stipa comata</i>	4 lbs per acre
5. If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.
6. Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil re-spread over the surface; and, the surface re-vegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeding.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Proposed production casing cementing volumes are inadequate and does not circulate cement to a high enough fill-up. Additional cement beyond the proposed levels indicated in the operators application will need to be pumped. The cement volumes pumped should include appropriate excess factors. For the cementing program of the production casing string, the circulation or top of cement on the production string is to be at a minimum two hundred feet (200') above the formation named Wasatch. Per BLM estimates, the formation named Wasatch is estimated to be at depth feet 3842. Production casing string circulation or top of cement is to be at or above depth feet 3642 to formation Wasatch.
2. Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
3. Be aware that fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.
4. **Please submit an electronic copy of all logs run on this well in LAS format. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).**

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be

performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
6. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including,

at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

- f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
- 13. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **Dominion Exploration & Production**

Well Name: **LCU 3-3H**

API No: **43-047-36804** Lease Type: **Federal/Fee**

Section **03** Township **11S** Range **20E** County **Uintah**

Drilling Contractor **Bill Jr's** Rig # **6**

SPUDDED:

Date **5-8-07**

Time **6:00 PM**

How **Dry**

Drilling will Commence: _____

Reported by **Pat Wisener**

Telephone # **435-828-1455**

Date **5-9-07** Signed **RM**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Dominion Exploration & Production, Inc. Operator Account Number: N1095
Address: 14000 Quail Springs Parkway, Suite 600
city Oklahoma City
state OK zip 73134 Phone Number: 405-749-5237

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36804	LCU 3-3H		NENW	3	11S	20E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16070	5/8/2007			5/10/07	
Comments: <u>mvr</u> CONFIDENTIAL							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RECEIVED

MAY 09 2007

Barbara Lester

Name (Please Print)

Barbara Lester

Signature

Regulatory Specialist

Title

5/9/2007

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2. Name of Operator

Dominion Exploration & Production, Inc.

3a. Address

14000 Quail Springs Pkwy, Ste 600, OKC, OK 73134

3b. Phone No. (include area code)

(405) 749-5237

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

600' FNL & 2000' FWL, NE NW, Sec. 3-11S-20E

5. Lease Serial No.

UTU-44090-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Little Canyon Unit

8. Well Name and No.

LCU 3-3H

9. API Well No.

43-047-36804

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Spud Well
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

5/8/07 - Spud well. Ran 53 jts 8-5/8", 32#, J-55, ST&C csg set @ 2212'. Cmt lead w/250 sks Hi Fill V, 11.0 ppg, 3.82 yld. Tail w/225 sks Class G, 15.8 ppg, 1.15 yld. Tail w/225 sks Class G, 15.8 ppg, 1.15 yld. 15 bbls cmt to pit.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Barbara Lester

Title Regulatory Specialist

Signature



Date 5/14/2007

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED
MAY 21 2007
DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

7/1/2007

FROM: (Old Operator): N1095-Dominion Exploration & Production, Inc 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134 Phone: 1 (405) 749-1300	TO: (New Operator): N2615-XTO Energy Inc 810 Houston St Fort Worth, TX 76102 Phone: 1 (817) 870-2800
--	--

CA No.				Unit:		LITTLE CANYON		
WELL NAME	SEC TWN RNG			API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/6/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/6/2007
- a. Is the new operator registered in the State of Utah: Business Number: 5655506-0143
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: _____
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/27/2007
- Bond information entered in RBDMS on: 9/27/2007
- Fee/State wells attached to bond in RBDMS on: 9/27/2007
- Injection Projects to new operator in RBDMS on: 9/27/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: 9/27/2007

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000138
 - Indian well(s) covered by Bond Number: n/a
 - a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 104312762
 - b. The **FORMER** operator has requested a release of liability from their bond on: 1/23/2008
- The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: XTO Energy Inc. <i>N2615</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 810 Houston Street CITY Fort Worth STATE TX ZIP 76102		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED		8. WELL NAME and NUMBER: SEE ATTACHED
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: SEE ATTACHED
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective July 1, 2007, XTO Energy Inc. has purchased the wells listed on the attachment from:

Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

N1095

James D. Abercrombie
James D. Abercrombie
Sr. Vice President, General Manager - Western Business Unit
(405) 749-1300

Please be advised that XTO Energy Inc. is considered to be the operator on the attached list and is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided by Nationwide BLM Bond #104312750 and Department of Natural Resources Bond #104312762.

NAME (PLEASE PRINT) <i>Edwin S. Ryan, Jr.</i>	TITLE <i>Sr. Vice President - Land Administration</i>
SIGNATURE <i>Edwin S. Ryan, Jr.</i>	DATE <i>7/31/2007</i>

(This space for State use only)

APPROVED *9127107*
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
AUG 06 2007

DIV. OF OIL, GAS & MINING

(5/2000)

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

LITTLE CANYON UNIT

api	well_name	qtr_qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4304731026	HILL FEDERAL 1-10	NESW	10	110S	200E	U-44089	1368	Federal	GW	TA
4304731178	LAFKAS FED 1-3	SWSW	03	110S	200E	U-34350	1367	Federal	GW	S
4304735639	LCU 5-35F	SWNW	35	100S	200E	U-01470-C	14619	Federal	GW	P
4304735646	LCU 10-35F	NWSE	35	100S	200E	U-01470-D	14619	Federal	GW	P
4304735729	LCU 14-1H	SESW	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304735730	LCU 12-1H	NWSW	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304735731	LCU 2-12H	NWNE	12	110S	200E	UTU-73436	14619	Federal	GW	P
4304736164	LCU 6-6G	SENW	06	110S	210E	UTU-75700	14619	Federal	GW	P
4304736165	LCU 2-1H	NWNE	01	110S	200E	UTU-76264	14619	Federal	GW	P
4304736166	LCU 5-1H	SWNW	01	110S	200E	UTU-76264	14619	Federal	GW	P
4304736167	LCU 16-1H	SESE	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304736168	LCU 11-1H	NESW	01	110S	200E	UTU-73436	14619	Federal	GW	P
4304736607	LCU 11-10H	NESW	10	110S	200E	U-44089	15361	Federal	GW	P
4304736774	LCU 2-10H	NWNE	10	110S	200E	UTU-44089	15330	Federal	GW	P
4304736775	LCU 7-3H	SWNE	03	110S	200E	UTU-44090-A	15777	Federal	GW	P
4304736776	LCU 11-3H	NESW	03	110S	200E	UTU-34350	16104	Federal	GW	DRL
4304736803	LCU 7-1H	SWNE	01	110S	200E	UTU-76264	14619	Federal	GW	P
4304736804	LCU 3-3H	NENW	03	110S	200E	UTU-44090-A	16070	Federal	GW	DRL
4304736805	LCU 14-3H	SESW	03	110S	200E	UTU-34350	16106	Federal	GW	DRL
4304736806	LCU 15-9H	SWSE	09	110S	200E	UTU-76265	16042	Federal	GW	DRL
4304736807	LCU 8-12H	SENE	12	110S	200E	U-73436	14619	Federal	GW	P
4304736811	LCU 14-35F	SESW	35	100S	200E	U-01470-D	14619	Federal	GW	P
4304736812	LCU 13-35F	SWSW	35	100S	200E	U-01470-D	14619	Federal	GW	P
4304736813	LCU 12-6G	NWSW	06	110S	210E	U-72665	15248	Federal	GW	P
4304736891	LCU 9-3H	NESE	03	110S	200E	UTU-34350	16107	Federal	GW	DRL
4304737198	LCU 6-11H	SENW	11	110S	200E	UTU-73436	16009	Federal	GW	P
4304737199	LCU 12-11H	NWSW	11	110S	200E	UTU-73436	16009	Federal	GW	P
4304737200	LCU 14-11H	SESW	11	110S	200E	UTU-73436	16009	Federal	GW	P
4304737449	LCU 9-11H	NESE	11	110S	200E	UTU-73436	16009	Federal	OW	P
4304738380	LCU 6-3H	SENW	03	110S	200E	UTU-44090-A	15939	Federal	GW	DRL
4304738381	LCU 10-3H	NWSE	03	110S	200E	UTU-34350	16157	Federal	GW	DRL
4304738382	LCU 16-3H	SESE	03	110S	200E	UTU-34350	16105	Federal	GW	DRL
4304738991	LCU 2-6GX (RIGSKID)	NWNE	06	110S	210E	UTU-075700	15912	Federal	GW	P
4304739065	UTE TRIBAL 3-11H	NENW	11	110S	200E	14-20-H62-5611	16073	Indian	GW	DRL
4304739066	UTE TRIBAL 7-11H	SWNE	11	110S	200E	14-20-H62-5611	16044	Indian	GW	P
4304739067	UTE TRIBAL 8-11H	SENE	11	110S	200E	14-20-H62-5611	16045	Indian	GW	DRL

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

LITTLE CANYON UNIT

api	well_name	qtr_qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4304735613	LCU 12-36F	NWSW	36	100S	200E	ML-47391	14619	State	GW	P
4304735643	LCU 10-2H	NWSE	02	110S	200E	ML-48771	14630	State	GW	P
4304736611	LCU 13-2H	SWSW	02	110S	200E	ML-48771	15704	State	GW	P
4304736779	LCU 5-2H	NESW	02	110S	200E	ML-48771	99999	State	GW	DRL
4304736780	LCU 11-2H	NESW	02	110S	200E	ML-48771	99999	State	GW	DRL
4304736783	LCU 14-36F	SESW	36	100S	200E	ML-47391	14619	State	GW	P
4304737986	LCU 3-36F	NENW	36	100S	200E	ML-47391	16071	State	GW	DRL
4304737987	LCU 10-36F	NWSE	36	100S	200E	ML-47391	15911	State	GW	S
4304737988	LCU 8-36F	SENE	36	100S	200E	ML-47391	16030	State	GW	P
4304737989	LCU 13-36F	SWSW	36	100S	200E	ML-47391	14619	State	GW	P
4304737999	LCU 6-36F	SENE	36	100S	200E	ML-47391	16059	State	GW	S
4304738026	LCU 11-36F	NESW	36	100S	200E	ML-47391	14619	State	GW	P
4304738256	LCU 8-2H	SENE	02	110S	200E	ML-48771	99999	State	GW	DRL
4304738257	LCU 12-2H	NWSW	02	110S	200E	ML-48771	15750	State	GW	P
4304738258	LCU 7-2H	SWNE	02	110S	200E	ML-48771	15664	State	GW	P
4304738259	LCU 9-2H	SENE	02	110S	200E	ML-48771	99999	State	GW	DRL
4304738260	LCU 15-36F	SWSE	36	100S	200E	ML-47391	15893	State	GW	P



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

Dominion Exploration & Production, Inc.
Attn: James D. Abercrombie
14000 Quail Springs Parkway, #600
Oklahoma City, OK 73134-2600

August 10, 2007

Re: Little Canyon Unit
Uintah County, Utah

Gentlemen:

On August 8, 2007, we received an indenture dated June 30, 2007, whereby Dominion Exploration & Production, Inc. resigned as Unit Operator and XTO Energy Inc. was designated as Successor Unit Operator for the Little Canyon Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 15, 2007. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Little Canyon Unit Agreement.

Your statewide oil and gas bond No. UTB000138 will be used to cover all operations within the River Bend Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Greg J. Noble

Greg J. Noble
Acting Chief, Branch of Fluid Minerals

Enclosure

RECEIVED
AUG 16 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090A
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME: LITTLE CANYON UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 600' FNL & 2000' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 3 11S 20E		8. WELL NAME and NUMBER: LCU 3-3H
PHONE NUMBER: (505) 333-3100		9. API NUMBER: 4304736804
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/4/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: OCT 2007 MONTHLY REPORT
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached is XTO Energy's monthly rpt for the period of 8/1/2007 to 10/4/2007.

NAME (PLEASE PRINT) <u>HOLLY C. PERKINS</u>	TITLE <u>REGULATORY COMPLIANCE TECH</u>
SIGNATURE <u>Holly C. Perkins</u>	DATE <u>10/5/2007</u>

(This space for State use only)

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OCT 10 2007

DIV. OF OIL, GAS & MINING

UINTAH**LCU 3-3H**

LOCATION : NENW, Sec 3, T11S, R20E

CONTRACTOR: Frontier Drilling, 2

DATE: 9/11/2007

OPERATION: MIRU

DFS: 125.5

Footage Made: 0

Measured Depth: 2,250

MW:

VISC:

WOB:

RPM:

DMC:

CMC:

DWC: 32,260.00

CWC: 32,260.00

TIME DIST: (24.00) MIRU.

DATE: 9/12/2007

OPERATION: TIH

DFS: 126.5

Footage Made: 0

Measured Depth: 2,250

MW:

VISC:

WOB:

RPM:

DMC:

CMC:

DWC: 31,900.00

CWC: 64,160.00

TIME DIST: (12.00) MIRU. (5.00) TEST BOPE. (3.00) DRILL RAT HOLE. (6.00) TIH TAG CEMENT @2120.

DATE: 9/13/2007

OPERATION: DRLG

DFS: 127.5

Footage Made: 1,432

Measured Depth: 3,682

MW: 8.5

VISC:

WOB: 22

RPM: 55

DMC:

CMC:

DWC: 110,244.00

CWC: 174,404.00

TIME DIST: (3.50) DRLG CMT, FLT AND SHOE, FIT, SURVEY 1.2 DEG. (1.00) DRLG TO 2355. (0.50) RIG SERVICE. (10.00) DRLG TO 3156. (3.50) TOOCH CHG MTR TIH. (5.50) DRLG TO 3682.

DATE: 9/14/2007

OPERATION: DRLG

DFS: 128.5

Footage Made: 1,806

Measured Depth: 5,488

MW: 8.7

VISC: 26

WOB: 22

RPM: 55

DMC:

CMC:

DWC: 23,390.00

CWC: 197,794.00

TIME DIST: (5.50) DRLG TO 4157. (0.50) SURVEY @ 4079 1.75 DEG. (6.00) DRLG TO 4632. (7.00) DRLG TO 5139. (0.50) SURVEY @ 5060 1.5 DEG. (4.50) DRLG TO 5488.

DATE: 9/15/2007

OPERATION: DRLG

DFS: 129.5

Footage Made: 1,127

Measured Depth: 6,615

MW: 9.2

VISC: 29

WOB: 22

RPM: 55

DMC:

CMC:

DWC: 19,740.00

CWC: 217,534.00

TIME DIST: (11.00) DRLG TO 6153. (0.50) SURVEY @ 6075 1.7 DEG. (12.50) DRLG TO 6615.

DATE: 9/16/2007

OPERATION: DRLG

DFS: 130.5

Footage Made: 730

Measured Depth: 7,345

MW: 9.5

VISC: 34

WOB: 25

RPM: 50

DMC:

CMC:

DWC: 30,580.00

CWC: 248,114.00

TIME DIST: (1.50) DRLG TO 6659. (1.00) CIRC FOR TOOCH. (6.50) TOOCH CHG BIT AND LD STABS TIH W/ NB. (10.00) DRLG TO 7156. (0.50) SURVEY @ 7078 1.6 DEG. (4.50) DRLG TO 7345.

DATE: 9/17/2007

OPERATION: DRLG

DFS: 131.5

Footage Made: 735

Measured Depth: 8,080

MW: 9.6

VISC: 35

WOB: 25

RPM: 50

DMC:

CMC:

DWC: 22,000.00

CWC: 270,114.00

TIME DIST: (11.00) DRLG TO 7726. (0.50) RIG SERVICE. (0.50) DRLG TO 7740. (12.00) DRLG TO 8080.

DATE: 9/18/2007

OPERATION: TRIP

DFS: 132.5

Footage Made: 426

Measured Depth: 8,506

MW: 10.1

VISC: 39

WOB: 20

RPM: 50

DMC:

CMC:

DWC: 20,800.00

CWC: 290,914.00

TIME DIST: (22.00) DRLD 8080'-8506' (426' @ 19.4 FPH). (2.00) PUMP PILL AND POOH TO CK BIT AND MOTOR..

DATE: 9/19/2007
 OPERATION: CIRC AND COND. HOLE
 DFS: 133.5 Footage Made: 344 Measured Depth: 8,850
 MW: 10.1 VISC: 39
 WOB: 21 RPM: 45
 DMC: CMC: DWC: 30,200.00 CWC: 321,114.00
 TIME DIST: (2.50) POOH TO CHECK BIT AND MM. (1.50) CHANGE OUT BIT AND TIH TO 2200'. (1.00) SLIP AND CUT DRLD LINE. (2.00) TIH. (17.00) DRLD 8506'-8850' TD (344' @ 20.2 FPH).

DATE: 9/20/2007
 OPERATION: RUNNING OH LOGS
 DFS: 134.5 Footage Made: 0 Measured Depth: 8,850
 MW: 10.1 VISC: 39
 WOB: RPM:
 DMC: CMC: DWC: 15,150.00 CWC: 336,264.00
 TIME DIST: (15.50) CIRC. AND COND. HOLE, WO LOGGERS.. (3.00) PUMPED PILL, POOH FOR OH LOGS.. (1.50) WO. DRESSER ATLAS. (3.50) RU BAKER ATLAS WIRELINE CO. AND HOLE SAFETY MEETING. (0.50) RIH W/ LOGGING TOOLS..

DATE: 9/21/2007
 OPERATION: RUNNING 5-1/2" CSG.
 DFS: 135.5 Footage Made: 0 Measured Depth: 8,850
 MW: 10.1 VISC: 39
 WOB: RPM:
 DMC: CMC: DWC: 10,069.00 CWC: 346,333.00
 TIME DIST: (5.50) RAN DLL/CNL/FDL W/ GR & CAL FROM 8849' LTD TO BASE INT. CSG. @ 2222'.. (4.00) TIH TO COND. HOLE FOR CSG.. (1.50) CIRC. AND COND. HOLE FOR CSG.. (7.50) POOH LD DP AND DC.. (5.50) RUNNING 5-1/2" CSG. INC..

DATE: 9/22/2007
 OPERATION: RD ROTARY TOOLS
 DFS: 136.5 Footage Made: 0 Measured Depth: 8,850
 MW: VISC:
 WOB: RPM:
 DMC: CMC: DWC: 201,269.00 CWC: 547,602.00
 TIME DIST: (2.50) RAN AND LANDED 202 JTS. (8817') OF 5-1/2", 17#, I-100, LT&C CSG. @ 8835'. (5.00) RU HALLIBURTON AND HOLD SAFETY MEETING. CMT. CSG. W/ 180 SX HALLIBURTON HI-FILL SBM FOLLOWED BY 925 SX. HALLIBURTON LT. PREM. PLUS. DISP W/ 204 BBL 2% KCL WTR W/ ADDS. HAD FULL RETURNS THROUGH OUT. BUMPED PLUG W/ 3150#. 550# OVER.. (1.50) CLEAN MUD PITS AND ND BOP. (15.00) RELEASED RIG @ 15:00, 9/21/07. RD ROTARY TOOLS..

Farmington Well Workover Report

LITTLE CANYON UNIT	Well # 3-3H	MV/WSTC
---------------------------	--------------------	----------------

Objective: Drill & Complete

**First
Report:** 09/22/2007

9/22/07 Wellview has all the drilling details and accumulated cost.

10/2/07 Std inst of 240' of 4" .188W FB welded gas line across loc. Compl 4-4", 2 - 2" welds. Compl tie in of 4" .188W FB welded gas line to 2" mtr run. SDFN.

10/3/07 Compl inst of 240' of 4" .188W FB welded gas line across loc. Compl 8 - 4" welds. Compl pigging 4" .188W FB welded gas line. SDWO x-ray on 4" .188W FB welded gas line for x-ray sched for week of 10/15/07.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090A
2. NAME OF OPERATOR XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME: LITTLE CANYON UNIT
PHONE NUMBER: (505) 333-3100		8. WELL NAME and NUMBER: LCU 3-3H
4. LOCATION OF WELL FOOTAGES AT SURFACE: 600' FNL & 2000' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 3 11S 20E S		9. API NUMBER: 4304736804
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

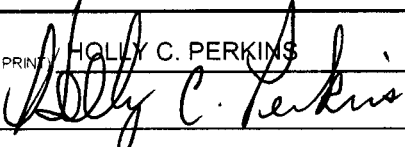
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/15/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: MONTHLY RPT
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	10/6/07 - 11/15/07

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Monthly Report for 10/6/2007 to 11/15/2007 attached.

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NOV 23 2007

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE 	DATE 11/19/2007

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Farmington Well Workover Report

LITTLE CANYON UNIT	Well # 3-3H	MV/WSTC
---------------------------	--------------------	----------------

Objective: Drill & Complete

First Report: 09/22/2007

AFE: 715400

10/10/07 Compl x-ray on 4" .188 X42 bare gas line. Compl 19 - 4" welds. SDFN.

10/11/07 Compl removal of skids on 4" .188 X42 bare gas line after compl of x-ray. SDWO on PT sched for week of 10/15/07.

10/19/07 Compl PT on 4" .188W X42 steel gas line @ 840 for 8 hrs. PT good.

11/15/07 Cont for AFE #715400 to D&C. MIRU Schlumberger WL. RIH w/ logging tls. Tgd PBTD @ 8774'. Run CBL fr/8765' - 100'. Cmt top @ Surf. POH & LD logging tools. RU pmp trk. PT csg & frac vlv to 5000 psig (OK). RIH w/3-1/8" csg gun and perf MV zone #1 fr/8531' - 32', 8583' - 85', 8625' - 28', 8674' - 76' & 8698' - 8701', w/3 JSPF (Owen 21gm chrgs, .35" dia, 34.24" pent.) 33 holes ttl. SWI & RDMO WL.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090A
2. NAME OF OPERATOR: XTO ENERGY INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		7. UNIT or CA AGREEMENT NAME: LITTLE CANYON UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 600' FNL & 2000' FWL		8. WELL NAME and NUMBER: LCU 3-3H
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 3 11S 20E S		9. API NUMBER: 4304736804
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 12/4/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy Inc. first delivered this well through the Little Canyon CDP 12/3/2007. Initial Flow Rate: 1100 MCFPD.

NAME (PLEASE PRINT) HOLLY C. PERKINS	TITLE REGULATORY COMPLIANCE TECH
SIGNATURE <i>Holly C. Perkins</i>	DATE 12/5/2007

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DEC 13 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090A
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR: XTO Energy Inc.		7. UNIT or CA AGREEMENT NAME LITTLE CANYON UNIT/CR201
3. ADDRESS OF OPERATOR 382 CR 3100 CITY AZTEC STATE NM ZIP 87410		8. WELL NAME and NUMBER: LCU 3-3H
4. LOCATION OF WELL (FOOTAGES) AT SURFACE 600' FNL & 2000' FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		9. API NUMBER: 4304736804
10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 3 11S 20E
12. COUNTY UINTAH		13. STATE UTAH

14. DATE SPUDDED: 5/8/2007	15. DATE T.D. REACHED: 9/20/2007	16. DATE ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/> 12/4/2007	17. ELEVATIONS (DF, RKB, RT, GL): 4968' GL
18. TOTAL DEPTH MD 8,850 TVD	19. PLUG BACK T.D. MD 8,788 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE MD PLUG SET: TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) DLL/CNL/FDL		23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4"	8 5/8 J55	32#	0	2,212		G 700	0	SURF	0
7 7/8	5 1/2 P110	17#	0	8,835		G 1,110	0	SURF	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8	8,619							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) WSTCH/MVRD	4,630	8,701			4,630 8,701	0.35	165	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
WSTCH/MVRD	Ppd 370 Mscf N2. Frac'd w/30Q N2 foamed XL fluid (YF115ST) gel w/367,379 gals 2% KCl wtr carrying 328,985# 20/40 SB sand followed by 165,150# 20/40 Jordan sand.

29. ENCLOSED ATTACHMENTS:

- ☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: _____

30. WELL STATUS:

(5/2000)
(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 12/5/2007	TEST DATE: 12/6/2007	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 978	WATER – BBL: 152	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 1,000	CSG. PRESS. 1,260	API GRAVITY .6316	BTU – GAS 1110.51	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PRODUCING

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE	TBG. PRESS	CSG. PRESS	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED	TEST DATE	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD
CHOKE SIZE	TBG. PRESS	CSG. PRESS	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED	TEST DATE	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD
CHOKE SIZE	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

TO BE SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				WASATCH TONGUE	3,338
				UTELAND LIMESTONE	3,681
				WASATCH	3,824
				CHAPITA WELLS	4,701
				UTELAND BUTTE	4,701
				MESAVERDE	6,624

35. ADDITIONAL REMARKS (Include plugging procedure)

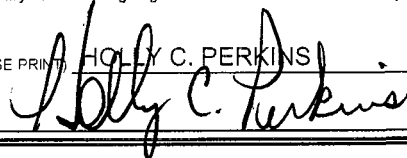
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT)

HOLLY C. PERKINS

TITLE REGULATORY COMPLIANCE TECH

SIGNATURE



DATE 1/9/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940



Survey Report

43-047-36804

Well Name: LCU 3-3H

3 11s 20e

Hint: Enter the date by the survey type for when this survey type started and that will control which surveys appear on the daily report.

Wellbores										
Wellbore Name	Deviation Survey	VS Dir (°)	Kick Off Depth (ftKB)	Kick Off Method	Lat/Long Datum	Latitude (DMS)	Longitude (DMS)			
Original Hole										
Deviation Surveys										
Date	Description						Declination (°)			
9/19/2007							1.86			
MD Tie In (ftKB)	Inclination Tie In (°)	Azimuth Tie In (°)	TVD Tie In (ftKB)	NSTie In (ft)	EWTie In (ft)					
Survey Data										
MD (ftKB)	Incl (°)	Azm (°)	Survey Company	Bad Data	Override Calc?	TVD (ftKB)	VS (ft)	NS (ft)	EW (ft)	DLS (°/100ft)
6,075.00	1.73		FRONTIER							
8,820.00	1.86		FRONTIER	No	No					

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JAN 14 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090-A			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: XTO ENERGY INC		7. UNIT or CA AGREEMENT NAME: LITTLE CANYON			
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410		8. WELL NAME and NUMBER: LCU 3-3H			
PHONE NUMBER: 505 333-3159 Ext		9. API NUMBER: 43047368040000			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0600 FNL 2000 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 03 Township: 11.0S Range: 20.0E Meridian: S		9. FIELD and POOL or WILDCAT: HILL CREEK			
		COUNTY: UTAH			
		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/1/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: PWOP </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: PWOP
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO Energy Inc. intends to put this well on pump with the intent of increasing production. Please see the attached procedure.					
		Accepted by the Utah Division of Oil, Gas and Mining Date: <u>September 29, 2009</u> By: <u><i>Dan K. Quist</i></u>			
NAME (PLEASE PRINT) Barbara Nicol		PHONE NUMBER 505 333-3642			
SIGNATURE N/A		TITLE Regulatory Clerk			
		DATE 9/25/2009			

JTB _____
TJF _____
DLC _____

LCU 3-3H
Sec 3, T 11S, R 20 E
Uintah County, Utah
API- 43-047-36804
XTO # 165545

AFE # 905183

Put Well on Pump

Surf csg: 8-5/8", 32#, J-55, ST&C csg @ 2230' Circ cmt to surface
Prod csg: 5-1/2", 17#, I-100, LT&C csg @ 8835'. PBSD @ 8788', BRS @ 8787'
TOC @ surface
Tbg: 2-3/8" L-80 EUE tubing w/ SN & BRS on bottom @ 8602'
Perfs: **WA:** 4630'-36', 5666'-72', 6313'-19'
MV: 6740'-46', 7359'-61', 7379'-81', 7389'-92', 7420'-23', 8029'-31',
8084'-88', 8186'-90', 8531'-32', 8583'-85', 8625'-28', 8674'-76', 8698'-8701'

PWOP Procedure

- 1) MI and set a Lufkin RM 320-256-120 pumping unit (min ECB 16,900#) with a C-96 engine. Set CB weights as follows:

Description	Weight	Position
Left Lag	3CRO + 2 BS	10" from end of crank
Left Lead	3CRO + 1 BS	10" from end of crank
Right Lag	3CRO + 2 BS	10" from end of crank
Right Lead	3CRO + 1 BS	10" from end of crank

- 2) MIRU PU. Blow down casing and kill well w/ 2% KCL. ND WH, NU BOP. Unseat tubing hanger. Lower tubing to tag, then tally out of hole. Monitor tubing for indications of scale or corrosion.
- 3) RIH with 4 3/4" bit and casing scraper, tag top of fill or BRS. Consider clean out if necessary to provide adequate rat hole.
- 4) RIH with production string as follows:
- a) 2 3/8" x 5 1/2" TEC tubing anchor
 - b) 2 3/8" x 6' tubing sub
 - c) 2 3/8" x 4' perforated sub

- d) 2 3/8" x 1.78" S/N
- e) 2 3/8" 4.7# EUE tubing to surface

Land tubing in tension with anchor at $\pm 8750'$. ND BOP, NU wellhead.

- 5) Consider acid / scale squeeze. Swab tubing until clean returns are obtained before running pump.
- 6) RIH w/ pump and rod string as follows:
 - a) 2"x 1 1/4"x 16'x 19' RHBC w/ 8' dip tube. Use 6' -.005" plunger
 - b) 3/4" x 4' rod sub
 - c) 3/4" - 21,000 lb HF shear tool
 - d) 10- 1 1/4" API K Sinker Rods
 - e) 30 - 3/4" Norris 96 Rods w/ "T" couplings, 5 molded guides/rod
 - f) 310 - 3/4" Norris 96 Rods w/ "T" couplings
 - g) 3/4"- Norris 96 rod pony rods as necessary to space out
 - h) 1 1/4" x 22' Polish rod w/ 1 1/2" liner
- 7) Space out pump as required with pony rods. Load tubing and long stroke with rig to ensure pump action. RDMO PU.
- 8) Gauge tanks. Start well pumping at 3 SPM and 120" SL. Run dyno and shoot fluid level ± 1 week after unit has started.
- 9) Report pre and post start up data to Tom Boyce

Regulatory

- Submit NOI and subsequent report to BLM and Utah Division of Oil Gas & Mining for installation of pumping unit.

Services/Material

- 4-3/4" bit & bit sub, 5-1/2" casing scraper

Equipment

- Lufkin RM 320-256-120 pumping unit (min ECB 16,900 lbs) with a C-96 engine
- TEC 5 1/2" x 2 3/8" anchor catcher

Rods & Pump:

- 2"x 1 1/4"x 16'x 19' RHBC w/ 8' dip tube. Use 6' -.005" plunger
- 3/4" x 4' rod sub
- 3/4" – 21,000 lb HF shear tool
- 10- 1 1/4" API K Sinker Rods
- 30 - 3/4" Norris 96 Rods w/ "T" couplings, 5 molded guides/rod
- 310 - 3/4" Norris 96 Rods w/ "T" couplings
- 3/4"- Norris 96 rod pony rods as necessary to space out
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<div>STATE OF UTAH</div> <div>DEPARTMENT OF NATURAL RESOURCES</div> <div>DIVISION OF OIL, GAS, AND MINING</div>		<div>FORM 9</div> <div>5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-44090-A</div>	
<div>SUNDRY NOTICES AND REPORTS ON WELLS</div> <div>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</div>		<div>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</div> <div>7.UNIT or CA AGREEMENT NAME: LITTLE CANYON</div>	
<div>1. TYPE OF WELL Gas Well</div>		<div>8. WELL NAME and NUMBER: LCU 3-3H</div>	
<div>2. NAME OF OPERATOR: XTO ENERGY INC</div>		<div>9. API NUMBER: 43047368040000</div>	
<div>3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410</div>		<div>PHONE NUMBER: 505 333-3159 Ext</div>	<div>9. FIELD and POOL or WILDCAT: HILL CREEK</div>
<div>4. LOCATION OF WELL FOOTAGES AT SURFACE: 0600 FNL 2000 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 03 Township: 11.0S Range: 20.0E Meridian: S</div>		<div>COUNTY: UINTAH</div> <div>STATE: UTAH</div>	
<div>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</div>			
<div>TYPE OF SUBMISSION</div>		<div>TYPE OF ACTION</div>	
<div><input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:</div> <div><input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/20/2009</div> <div><input type="checkbox"/> SPUD REPORT Date of Spud:</div> <div><input type="checkbox"/> DRILLING REPORT Report Date:</div>		<div><div><input checked="" type="checkbox"/> ACIDIZE</div><div><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</div><div><input type="checkbox"/> CHANGE WELL STATUS</div><div><input type="checkbox"/> DEEPEN</div><div><input type="checkbox"/> OPERATOR CHANGE</div><div><input type="checkbox"/> PRODUCTION START OR RESUME</div><div><input type="checkbox"/> REPERFORATE CURRENT FORMATION</div><div><input type="checkbox"/> TUBING REPAIR</div><div><input type="checkbox"/> WATER SHUTOFF</div><div><input type="checkbox"/> WILDCAT WELL DETERMINATION</div></div> <div><input type="checkbox"/> ALTER CASING</div> <div><input type="checkbox"/> CHANGE TUBING</div> <div><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</div> <div><input type="checkbox"/> FRACTURE TREAT</div> <div><input type="checkbox"/> PLUG AND ABANDON</div> <div><input type="checkbox"/> RECLAMATION OF WELL SITE</div> <div><input type="checkbox"/> SIDETRACK TO REPAIR WELL</div> <div><input type="checkbox"/> VENT OR FLARE</div> <div><input type="checkbox"/> SI TA STATUS EXTENSION</div> <div><input checked="" type="checkbox"/> OTHER</div>	

☐ CASING REPAIR☐ CHANGE WELL NAME☐ CONVERT WELL TYPE☐ NEW CONSTRUCTION☐ PLUG BACK☐ RECOMPLETE DIFFERENT FORMATION☐ TEMPORARY ABANDON☐ WATER DISPOSAL☐ APD EXTENSION

OTHER: | PWOP

EXECUTIVE SUMMARY REPORT

10/21/2009 - 11/25/2009
Report run on 11/25/2009 at 12:23 PM

Little Canyon Unit 03-03H

Section 03-11S-20E, Uintah, Utah, Roosevelt

10/22/2009 First rpt for well maintenance, PWOP. MIRU DUCO WS rig #1. Bd well. ND WH, NU BOP. Unland tbg hgr. TIH w/ 6 jts 2-3/8" tbg, tgd fill @ 8765'. TOH w/ 267 jts 2-3/8" 4.7#, J-55, EUE, 8rd tbg, 2-3/8" SN & 1/2 BRS. Tbg showed lt external sc BU on btm 35 jts fr/ 7488' to EOT @ 8601'. Smpl taken for analysis. Recd BHBS in SN. TIH w/ 4-3/4" bit, 5-1/2" csg scr & 267 jts 2-3/8" tbg, tgd fill @ 8765'. TOH w/ 154 jts 2-3/8" tbg. EOT @ 3634'. SWI SDFN

10/23/2009 ===== Little Canyon Unit 03-03H =====
EOT @ 3634'. Bd well. Contd TOH 113 jts 2-3/8" tgb, 5-1/2" csg scr & 4-3/4" bit. LD tls. TIH w/ 4-3/4" WO shoe, bmpsr sub & 265 jts 2-3/8" tbg, tgd fill @ 8765'. RU pwr swivel & AFU. Estb circion. CO 7' fill fr/ 8765' - 8772'. Fill hd & could not CO past 8772' (suspect BRS). Circ hole cln for 1hr. Ppd dwn tbg w/30 bbls trtd 2% KCL wtr & kld tbg. RD pwr swivel & AFU. TOH w/266 jts 2-3/8" tbg, bmpsr sub & 4-3/4" WO shoe. LD tls. SWI & SDFWE.

10/26/2009 ===== Little Canyon Unit 03-03H =====
EOT @ surf. Bd well. Ppd dwn csg w/ 60 bbls trtd 2% KCL wtr & KW. TIH w/ 2-1/2" OS, bmpsr sub & 267 jts 2-3/8" tbg, tgd @ 8772'. Att to latch onto fish. TOH w/ 267 jts 2-3/8" tbg, bmpsr sub & OS. LD tls. Did not rec BRS. TIH w/ 2-3/8" mule shoe col, 5-1/2" SH TAC, 6' x 2-3/8" 4.7#, N-80, EUE, 8rd tbg sub, 4' x 2-3/8" 4.7#, N-80, EUE, 8rd perf tbg sub, 2-3/8" SN & 132 jts 2-3/8" 4.7#, J-55, EUE, 8rd tbg. EOT @ 4315'. SWI & SDFN.

10/27/2009 ===== Little Canyon Unit 03-03H =====
EOT @ 4315'. Bd well. Ppd dwn csg w/50 bbls trtd 2% KCL wtr & KW. Contd TIH w/129 jts 2-3/8" 4.7#, J-55, EUE, 8rd tbg, 6' x 2-3/8" 4.7#, N-80, EUE, 8rd tbg sub & 4 jts 2-3/8" 4.7#, L-80, EUE, 8rd tbg. EOT @ 8750'. RU & RIH w/ XTO 1.901 tbg broach to SN. No ti spots. POH & LD broach. Drop SV & PT tbg to 1000 psig w/11 bbls trtd 2% KCL wtr, 5". Tstd ok. RU & RIH w/ fishing tls on sd ln. Att to retrv SV w/success. POH & LD fishing tl & SV. Ld tbg on hgr. ND BOP. Set 5-1/2" SH TAC @ 8750' w/12 K Tens. NU WH. Fin equ run: 2-3/8" mule shoe col, 5-1/2" Tech TAC SH TAC, 6' x 2-3/8" 4.7#, N-80, EUE, 8rd tbg sub, 4' x 2-3/8" 4.7#, N-80, EUE, 8rd perf tbg sub, 2-3/8" SN, 261 jts 2-3/8" 4.7#, J-55, EUE, 8rd tbg, 6' x 2-3/8" 4.7#, N-80, EUE, 8rd tbg sub & 4 jts 2-3/8" 4.7#, L-80, EUE, 8rd tbg. SN @ 8734'. EOT @ 8750'. WA perfs fr/ 4630' - 6319'. MV perfs fr/ 6740' - 8701'. PBDT @ 8772'. MIRU Frac tech ac equip. PT lines to 3000 psig. Load tbg w/ 34 bbls trtd 2% KCL substitute, SI tbg. Ppd dwn ann w/60 bbls chem pill consisting of trdt 2% KCL substitute, containing: 110 gals Nalco DVE 40 005 sc inhibitor, 5 gals Nalco Nalco EC 6106 Biocide & 50 gals Fractec IPA 2000. Ppd dwn ann w/20 BFW spacer w/KCL substitute. Ppd dwn ann w/ 1500 gals 15% HCL w/ 15 gals FE 200, 9 gals FE 100L, 12 gals CI 300 HT, EGBME mulual solvent & NE 100 non emulsifier. Ppd dwn ann w/ 119 bbls trtd 2% KCL substitute for flush. SD let acid soak for 1 hr. ISIP 1100 psig. MTP 1600 psig. MR 8 BPM. Ppd dwn ann w/ 40 bbls trtd 2% KCL substitute for flush. ISIP 40 psig. Let soak overnight. SWI & SDFN

10/28/2009 ===== Little Canyon Unit 03-03H =====
EOT @ 8750'. RU & RIH w/swb tls. BFL @ 3000' FS. S, 0 BO, 104 BLW, 24 runs, 8-1/2 hrs. Smpl taken every 2 hrs. Gray gas cut wtr, v, ltl solids, tr of O, PH 7. FFL @ 4200' FS. SICP 525 psig. SWI & SDFN.

===== Little Canyon Unit 03-03H =====

EXECUTIVE SUMMARY REPORT

10/21/2009 - 11/25/2009
Report run on 11/25/2009 at 12:23 PM

10/29/2009 EOT @ 8750'. RU & RIH w/ swb tls. BFL @ 4000' FS. S, 0 BO, 13 BLW, 3 runs, 1-1/2 hrs. Smpl taken. Gray gas cut wtr, V, ltl solids, tr of O, PH 7. FFL @ 4200' FS. SICP 550 psig. PU & loaded new 2" x 1-1/4" x 16' x 19' RHBC pmp (XTO # 224) w/ 8' x 1" dip tube. PU & TIH w/pmp, 26# K shear tl, 2 - 3/4" x 4' rod stabilizer subs, 10 - 1-1/4" API sbs, 30 - 3/4" Norris 96 skr d w/ " T " couplings, 5 molded guides per rod, 308 - 3/4" Norris 96 slick skr d w/ " T " couplings, 4 - 3/4" rod subs (8', 6', 2', 2') & 1-1/4" x 26' PR w/ 1.5" x 14' lnr. Seated pmp & SWO. PT tbg to 500 psig w/12 BW. LS pmp to 1000 psig w/rig. Gd PA. Clamped off rods for PU installation. SWI & RDMO Duco WS. RDMO DUCO WS rig # 1. RPTS SUSPND TURN WELL OVER TO FACILITES.

11/20/2009 ===== Little Canyon Unit 03-03H =====
The Little Canyon Unit 3-3H PWOP. Stroke Length 120. 4 SPM. This well is on Route #209. XTO allocation Meter # RS 0910 RF. RTU Group 10. Address 176. Waynes Check CDP Meter #RS1264CT. RWTP @ 5:30 p.m., 11/20/09. Final Report. Start data.

===== Little Canyon Unit 03-03H =====

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: XTO ENERGY INC. Operator Account Number: N 2615
Address: 382 CR 3100
city AZTEC
state NM zip 87410 Phone Number: (505) 333-3100

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304736804	LCU 3-3H	NENW	3	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	16070	14619 ✓	5/8/2007	12/1/2006 <u>2007</u>		
Comments: MVRD = WSMVD					— 8/24/10	

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304736805	LCU 14-3H	SESW	3	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	16106	14619 ✓	5/20/2007	12/1/2006 <u>1/18/2008</u>		
Comments: MVRD = WSMVD					— 8/24/10	

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304736806	LCU 15-9H	SWSE	9	11S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	16042	14619 ✓	4/12/2007	12/1/2006 <u>6/2/2008</u>		
Comments: MVRD = WSMVD					— 8/24/10	

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

BARBARA A. NICOL

Name (Please Print)

Barbara A. Nicol

Signature

REGULATORY COMP. TECH 8/18/2010

Title

Date

RECEIVED
AUG 23 2010

DIV. OF OIL, GAS & MINING